



This is the 1st affidavit
of Graham Thom in this case
and was made on 31/MARCH/2022

S-222758

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF 0989705 B.C.
LTD., ALDERBRIDGE WAY GP LTD., AND ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

AFFIDAVIT

I, GRAHAM THOM, of Vancouver, British Columbia, SWEAR (OR AFFIRM) THAT:

INTRODUCTION

1. I am a director of the petitioners: 0989705 B.C. Ltd. ("**098**") and Alderbridge Way GP Ltd. (the "**GP**"). The GP is the sole general partner of the petitioner Alderbridge Way Limited Partnership (the "**LP**" and together with 098 and the GP, the "**Petitioners**") and as such I have personal knowledge of the matters herein deposed to, except where such facts are stated to be based upon information and belief and where so stated I do verily believe the same to be true.
2. This affidavit is made in support of a petition (the "**Petition**") by the Petitioners for an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, 1985, c. C-36, as amended (the "**CCAA**"), to facilitate restructuring the business and affairs of the Petitioners. If the Initial Order is granted, this affidavit will also provide background for a proposed hearing (the "**Stay Extension Hearing**") on or about April 11, 2022 for extended and additional relief as well as the comeback hearing on or about April 25, 2022 (the "**Comeback Hearing**").
3. In preparing this affidavit, I have relied in various instances on information provided to me by the other directors and advisors of the Petitioners, and where I have relied on such information, I believe such information to be true. Based on my understanding of the matters deposed to herein and from my own review of the Petitioners' books and records, I believe the facts set out herein, as well as those set out in the Petition, are true and correct in all material respects.

4. All amounts are in Canadian dollars unless otherwise indicated.
5. I am authorized to make this Affidavit on behalf of the Petitioners and the Petitioners have authorized the filing of the Petition.
6. For the reasons set out herein, I verily believe that the Petitioners are insolvent and are entities to which the CCAA applies.

OVERVIEW

7. The Petitioners have spent several years developing a high-density, mixed-used construction project at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia (the “**Development**”). The Development will comprise seven mid-rise towers atop a multi-level podium with three levels of underground parking and span the majority of a city block.
8. In March 2020, citing the effects of COVID-19 and the economic outlook, the Petitioners’ senior construction lender suspended all further draws and advances under the Petitioners’ construction facility, restricting the Petitioners’ cash flow. The Petitioners are now in the midst of a liquidity crisis.
9. As of March 2022, the Petitioners had approximately \$347M in claimed outstanding borrowings and other amounts owing, with \$251,992,049.69 demanded. The Petitioners have insufficient cash to pay their liabilities as they come due.
10. The Petitioners have completed the major pre-construction phases of the Development, pre-sold a significant portion of the Development and largely finished the major undertaking of site excavation and off-site civil work. The Petitioners have interested and committed partners in their second-lien lenders (referred to as the “**2ML Lenders**” in this affidavit) who have worked with the Petitioners on a restructuring strategy. However, the Petitioners’ restructuring efforts over the past two years have made it clear that relief under the CCAA is necessary to bring a restructuring transaction to fruition. If provided with the chance to restructure in a stronger financial and post-pandemic market, supported by increasing market and land value, including for work in place, I believe the Petitioners’ leadership can capitalize on their extensive project knowledge and relationships to complete a restructuring offering the greatest benefit to stakeholders.
11. Accordingly, the Petitioners believe it is in the best interests of the Petitioners’ stakeholders to apply for relief under the CCAA.

BACKGROUND

12. The Petitioners are in the business of constructing and developing the Development.

13. Work on the Development began in 2017 and is well-advanced. The site was assembled and re-zoned early on. A significant portion of the Development has now been pre-sold. Excavation of the Development site, including completion of a cut-off wall installed on the perimeter of the site, is largely complete. Required off-site civil work for the first phase of the Development, involving relocating hydro poles and other civil services, is also complete. As the site covers the majority of a city block and stretches down nearly three stories, this was a costly and labour-intensive process.

14. In March 2020, the Petitioners' senior secured construction lender, Romspen Investment Corporation ("**Romspen**") wrote to the Petitioners advising that, "the COVID-19 global pandemic has had dramatic and rapid effects on... the economic outlook and the functioning of the financial markets." And that Romspen had "not been successful in obtaining commitments from other lenders to participate" in its construction facility with the Petitioners and had "decided to suspend all further draws and advances as permitted under the terms of the Loan Agreement".

15. In response, and in anticipation that the effects of the pandemic would lessen as the year progressed, the Petitioners continued to seek funding for the project through advances under a credit facility with the 2ML Lenders. The Petitioners also spent the next year seeking: alternative construction financing, economic concessions from project proponents, and additional injections of equity, while securing several further advances from the 2ML Lenders. In my experience, 2020 was a particularly unstable financial climate and in that environment of high uncertainty, the Petitioners were unable to secure the considerable replacement construction financing the Development requires.

16. While negotiating with various lenders and project proponents, construction on the Development largely halted in September 2020. The Petitioners have ensured the safety and integrity of the project site by funding on-going site security, daily de-watering costs, the construction of an eight-foot-high anti-climbing fence to secure the site perimeter, and engineering costs for surveying and soil movement monitoring.

17. In February 2021, Romspen issued demand to the Petitioners, claiming an amount in excess of \$158M due and owing. Romspen is currently in a position to enforce its security, including a mortgage over the Development lands. Contractors have filed a series of builder's liens on title to the Development property and property taxes are due and owing.

18. Consequently, and following extensive consultation with major stakeholders, including Romspen, the 2ML Lenders, and one of the Development's primary purchasers, represented by an entity known as "**CIBT**", the Petitioners opted to pursue a new strategy.

19. In April 2021, the Petitioners engaged Alvarez & Marsal Canada Inc. (“**A&M**”) and, in May 2021, the Petitioners engaged Cushman & Wakefield Structured Finance ULC (“**CWSF**”) to assist in conducting a sale and investment solicitation process (“**2021 SISP**”), seeking potential investors, partners or purchasers for the Development.

20. Throughout that process, the Petitioners, A&M and CWSF maintained on-going communication with Romspen, the 2ML Lenders and CIBT.

21. Roughly 30 parties from the investment and development community were approached to participate in the 2021 SISP, 17 of which executed NDAs, with two parties submitting bids. The bid that was selected, ultimately did not complete as certain conditions could not be satisfied.

22. The Petitioners are now aiming to complete a CCAA filing that will effect a strengthening of the balance sheet and position the LP and the GP to progress the Development. The Petitioners are aiming to complete a restructuring that will see on a high-level:

- (a) the Petitioners access the protections and relief afforded by the CCAA;
- (b) a restructuring transaction that would be effected by way of a credit bid that would among other things, see Romspen and any other priority claims paid, and a significant portion of the 2ML Lenders’ debt converted to equity as part of an overall restructuring of the LP itself;
- (c) concurrently with the development of such a credit bid, the implementation of a sale and investment solicitation process, run by a monitor with enhanced powers (the “**CCAA SISP**”), in which CCAA SISP it is anticipated the 2ML Lenders would participate as a bidder; and
- (d) ultimately, an exit from CCAA, that positions the restructured LP with a much-improved balance sheet.

23. It is anticipated that with a successful credit bid, the LP, led by the GP, with new equity would then be in a position to continue the Development by advancing pre-sales, progressing permits, seeking additional capital, arranging further construction financing and commencing construction on a phased basis to reduce capital requirements, in a post-COVID economic climate and strong real estate market.

24. The CCAA SISP is anticipated to run in tandem with the Petitioners’ restructuring efforts, to help ensure that a restructuring or transaction that offers the greatest benefit to stakeholders is the outcome of these proceedings.

25. In consultation with Romspen and the Proposed Monitor (as defined herein), the Petitioners have developed an outline for the CCAA SISP, seeking bids from parties interested in

a transaction involving the Development or the Petitioners. Given the potential 2ML Lenders credit bid and the relationships between the parties, the CCAA outline proposes enhanced powers for the Proposed Monitor to implement the CCAA SISP with the assistance of a sales agent. If granted relief under the CCAA, I understand that the Petitioners would seek approval of the CCAA SISP at the Comeback Hearing.

26. To preserve the value in the Development, and capitalize on the years and endeavor the Petitioners have invested in the project, the Petitioners now seek creditor protection, with a view to completing a restructuring or transaction that maximizes the benefit to stakeholders.

THE PETITIONERS

GP, LP and Nominee

27. The GP is a corporation formed under the laws of the Province of British Columbia in June 2017. The GP's principal and registered office is in Vancouver, British Columbia.

28. The LP is a limited partnership formed under the laws of the Province of British Columbia on June 5, 2017. The LP's sole general partner is the GP.

29. The LP was formed for the business of purchasing, constructing, developing, selling and leasing real property in Richmond, British Columbia, with its principal and registered office in Vancouver, British Columbia. Now shown to me and attached as Exhibit "A" are true copies of the BC Registry information for the GP and the LP and the Amended Certificate of the LP, filed on May 3, 2018.

30. 098 is a corporation formed under the laws of the Province of British Columbia, with its registered office in Vancouver, British Columbia. 098, as nominee, holds legal title to the Development property, on behalf of the LP as the beneficial owner, pursuant to a second amended and restated declaration of bare trust and agency agreement dated for reference February 25, 2019. The LP, by the GP, is the sole shareholder of 098. Now shown to me and attached as Exhibit "B" is a true copy of the BC Registry information for 098.

Intertwined Operations

31. Pursuant to the LP's limited partnership agreement dated June 5, 2017 (the "**LP Agreement**"), the GP is responsible for managing, controlling and operating the business and affairs of the LP and has the ability to enter agreements, financings, and investments on behalf of the LP and to hold any LP property. Under the LP Agreement, the GP holds the LP's property, whether registered in the name of the GP, or in its name in trust, as bare trustee.

32. The GP's sole asset is its 0.001% interest in the LP. The GP's operations focus solely on fulfilling the role of general partner of the LP, in managing the LP's affairs, representing the LP, acting on behalf of the LP, and making all decisions affecting the LP's business.

33. The LP is a co-obligor on each of the secured credit facilities providing construction funding for the Development and the primary obligor under the Development's principal purchase agreement.

34. The operations of the GP and the LP are significantly intertwined in constructing, developing, leasing and selling the Development. The LP could not pursue its partnership purpose without the contributions and management of the GP.

Corporate Organization

35. The GP's and 098's directors are: Sam Hanson, Jason Ratzlaff and myself. We have worked on the Development since its inception.

36. The GP's shareholders are Gatland Development Corporation, REV Investments Inc. and South Street Development Managers Ltd., who are party to a shareholder's agreement made effective as of June 5, 2017.

37. I have over 30 years' experience in real estate development as the principal of Gatland Development Corporation and Gatland Capital Corporation. Gatland Development Corporation helps developers in the pre-development and planning of real estate projects. Gatland Capital Corporation arranges funding for commercial, industrial and residential developments.

38. Mr. Hanson has been the principal of South Street Development Group, a diversified real estate group, for 35 years and has experience developing over 40 properties in British Columbia.

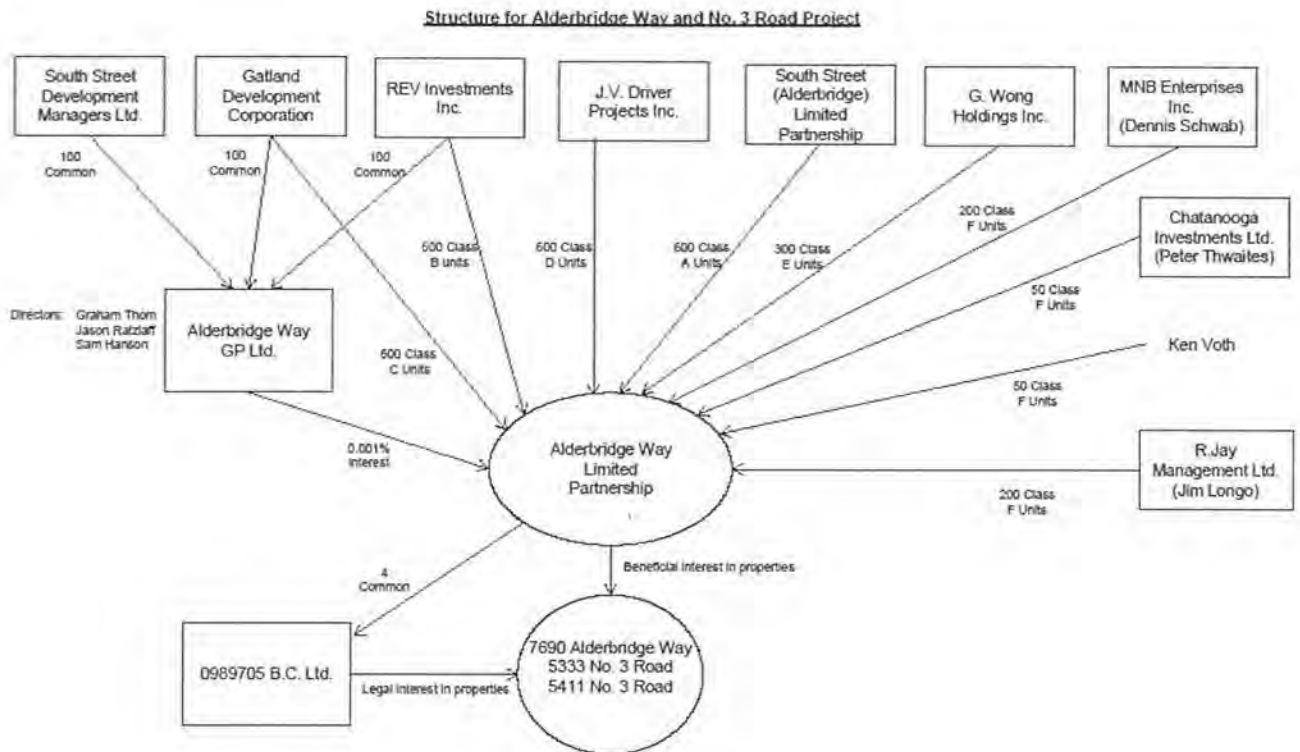
39. Mr. Ratzlaff is the president of REV Investments Inc. and has over 20 years' experience in construction and real estate development. REV Investments Inc. builds on its founder's, Don Voth's, over 40 years' experience in the industry. REV Investments Inc. has served as the financial and development partner for a variety of British Columbia real estate developments.

40. The following table summarizes the limited partners of the LP as of the date hereof:

REGISTER OF PARTNERS OF ALDERBRIDGE WAY LIMITED PARTNERSHIP		
Unitholder	Number and Class of Units	Partner Capital
South Street (Alderbridge) Limited Partnership	600 Class A Units	\$500,000
REV Investments Inc.	600 Class B Units	\$500,000
Gatland Development Corporation	600 Class C Units	\$500,000
J.V. Driver Projects Inc.	600 Class D Units	\$3,000,000
G. Wong Holdings Inc.	300 Class E Units	\$1,500,000
MNB Enterprises Inc.	200 Class F Units	\$1,000,000

Chatanooga Investments Ltd.	50 Class F Units	\$250,000
Kenneth D. Voth	50 Class F Units	\$250,000
R. Jay Management Ltd.	200 Class F Units	\$1,000,000
	Total:	\$8,500,000

41. Below is an organizational chart for the GP, LP and 098:



42. South Street Alderbridge Management Ltd. (the “**Development Manager**”) is the development manager of the Development. This entity is not a shareholder of the GP or a partner in the LP. Brent Hanson is a director of the Development Manager.

43. Magnum Projects Ltd. is the real estate broker, marketing and sales agent for the Development. George Wong is the principal of Magnum Projects Ltd.

44. The Petitioners do not currently directly employ any individuals in British Columbia. The individuals working on the Development are employed by third-party contractors hired by the LP and the GP and the Development Manager.

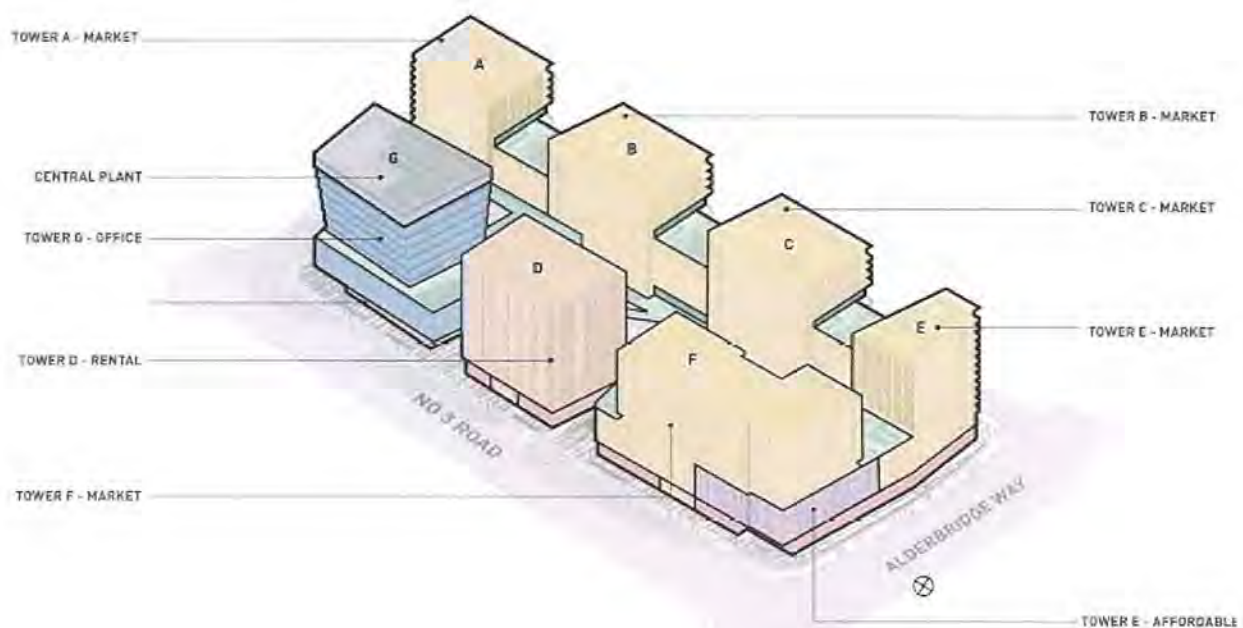
Development

45. The Petitioners are constructing the Development at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia, legally described as PID: 030-721-733, Lot 1 Section 5 Block 4 North Range 6 West New Westminster District Plan EPP86098 (the “**Real Property**”).

46. The Development is planned to be seven mid-rise towers atop a multi-level podium with three levels of underground parking, on a 5.1 acre property. The Development will include residential, commercial and retail lots, with public green spaces.

47. The Development is planned to include: five residential condominium strata lot towers; one rental tower; one commercial office tower; a section of affordable rental units, and commercial retail space.

48. The buildings are referred to as A, B, C, D, E, F and G and are laid out as below.



49. The Development plans provide for the Real Property to be subdivided by an airspace subdivision plan, creating:

- Airspace Parcel 1 – Residential Strata Lots;
- Airspace Parcel 2 – Residential Strata Lots;
- Airspace Parcel 3 – Residential Strata Lots;

- Airspace Parcel 4 – Commercial Office Building;
- Airspace Parcel 5 – Commercial Retail Strata Lots; and
- Remainder parcel – Market rental residential buildings and underground parking.

50. Towers E and F are largely pre-sold. Towers G and D are the subject of a purchase agreement, leaving towers A, B and C to be sold.

51. Towers A, B, and C, located off No 3. Road, are anticipated to generate greater net sales than the first phase of pre-sales. Those towers have significantly higher commercial values. There has also been a lift in market and land values over the past two years, and resultantly, prices per square foot, for the units in those buildings.

Development Sales – Towers G and D

52. On or about February 28, 2018, the LP (and by way of a joinder agreement dated May 28, 2018, 098), entered a Purchase and Development Agreement (as subsequently amended by a series of amending agreements, the “**GEC PDA**”) with Global Education City (Richmond) Limited Partnership, by its general partner, GEC (Richmond) GP Inc. (collectively, “**GEC**”), and guaranteed by CIBT Education Group Inc. (“**CIBT**”), setting out the terms and conditions on which the LP agreed to sell, and GEC agreed to buy, the “GEC Development” (as defined in the GEC PDA), including the commercial office tower (being tower G), towers D and F and some retail space.

53. In October 2018, the GEC PDA was amended to reduce the number of towers GEC planned to purchase from three to two. GEC no longer intended to purchase tower F.

Pre-sale Contracts for Residential Condominium Strata Lots – Towers E and F

54. On or about November 30, 2018, the LP filed a disclosure statement, in respect of the two residential condominium strata lot towers, E and F, to be constructed in Airspace Parcel 3. The LP has since filed three amendments to the disclosure statement on January 4, 2019, April 9, 2019 and November 28, 2019.

55. Buildings E and F are largely pre-sold, with 260 of 281 condominium units allocated to Airspace Parcel 3 sold firm, leaving 21 units available. There are also 38 remaining strata lots in Airspace Parcel 3 dedicated for affordable residential housing.

56. Current purchase agreements for buildings E and F have a total net price of approximately \$177M. The LP’s real estate counsel currently holds approximately \$29.7M in respect of these purchasers’ deposits.

Pre-sale Contracts for Retail Strata Lots

57. A total of 33 retail strata lots are anticipated to be constructed in Airspace Parcel 5, of which 28 have been pre-sold to purchasers; four of the remaining lots are allocated to GEC under the GEC PDA, leaving one retail strata lot left for sale.

58. Purchase agreements for these retail strata lots have a total net price of approximately \$76M. The LP's real estate counsel currently holds approximately \$18.7M. in respect of these purchasers' deposits.

Site Progress

59. Beginning in 2017, work commenced on assembling and re-zoning the Development site.

60. The Petitioners also arranged for completion of off-site civil work and worked through the permitting process with the City of Richmond, obtaining: a development permit, a building permit for excavation, a building permit for foundation and an underpinning works permit, and we were working through the final steps to have the final building permit issued.

61. The Petitioners paid roughly \$1.7M to the City of Richmond on account of the final building permit in January 2020. No further payments have been payable and will not be payable until such time as a final permit is issued.

62. The building permits for excavation and foundation have lapsed due to the passage of time, however we are in on-going dialogue with the City of Richmond and believe that upon the closing of a successful restructuring of the Development, the necessary permits will be issued relatively quickly.

63. By mid to late 2019, we had begun work on the cut-off wall, which, our consultants, engineers, and contractors advise us, is the type of wall built to create a barrier around an excavation to avoid and contain seepages. Under a contract dated April 8, 2019, Metro-Can Construction (AT) Ltd. ("**MetroCan**") managed the cut-off wall; and under a contract dated June 20, 2019, MetroCan was to complete certain off-site civil work necessary for the Development.

64. Eventually a change-order was signed to expand MetroCan's contract to include excavation work, which began in November 2019 and is largely complete today.

65. Beginning with excavation and carrying on today, Storm Guard Water Treatment Inc. ("**Storm Guard**") has been on site, running de-watering. Dewatering removes groundwater or surface water from a construction site and, I'm advised by our contractors, is critical for site safety and integrity, particularly in the case of the Development's excavation, given its size and Richmond's climate.

66. Now shown to me and attached as Exhibit "C" are: photos of the Development site as of August 2020 and the more recently installed fencing, and renderings for the finished Development. Today, the site is in largely the same condition as shown in the photos.

67. Due to the suspension of funding under the Romspen construction facility, since September 2020 there has been little construction activity on site, with MetroCan completing certain minor work on the site up to January 2021.

68. Near the end of January 2021, MetroCan's team informed the Petitioners that MetroCan crews were leaving the site and indicated that MetroCan would recommence work when funding was available.

69. When MetroCan left the site, Noble Construction Management Corp. ("**Noble**") took over monitoring and securing the site and completed some additional off-site civil work. The directors of the GP have also since arranged for the installation of eight-foot high anti-climbing fencing, as requested by the City of Richmond, to secure the site.

CURRENT FINANCIAL CIRCUMSTANCES

Construction Financing

70. In 2017, Gatland Capital Corporation was engaged to arrange construction financing for the Development.

71. The Petitioners are currently party to two credit agreements, providing Development financing.

72. Romspen is currently the Petitioners' senior secured lender.

73. Under a loan agreement to amend and restate commitment dated November 6, 2019 (the "**Romspen Credit Agreement**") between: each of the Petitioners, as borrowers; Romspen, as lender; and various guarantors, Romspen committed to provide \$212,000,000 of a non-revolving credit facility up to a maximum principal amount of \$422,000,000 (the "**Romspen Credit Facility**").

74. Pursuant to the Romspen Credit Agreement, Romspen claims it advanced approximately \$143.6M in senior mortgage loans to the Petitioners as of March 31, 2020; and that as of February 28, 2022, approximately \$175M is owing to Romspen (inclusive of accrued interest but not fees and costs).

75. Initially, Romspen requested that the Petitioners pace the funding requests under the Romspen Credit Facility, so that funding requests were slowed.

76. On or about March 31, 2020, Romspen wrote to the LP and the directors of the GP, stating:

As you know, the COVID-19 global pandemic has had dramatic and rapid effects on public health policies, the economic outlook and the functioning of the financial markets. The effects rapidly change on a daily basis, particularly in the financial markets, and are unpredictable.

The Lender has not been successful in obtaining commitments from other lenders to participate in the Construction Facility under the Loan Agreement, in part as a result of the dramatic and ongoing effects on the financial markets, especially the credit markets. Therefore, the Lender cannot waive the conditions for continued funding in the Loan Agreement regarding participations in the Construction Facility. As a result, the Lender is concerned that the capital necessary to continue and complete the construction of the Project may not be available. Accordingly, the Lender has decided to suspend all further draws and advances as permitted under the terms of the Loan Agreement. ...

77. Now shown to me and attached as Exhibit "D" is a copy of that letter.

78. From April 2020 on, we kept in contact with Romspen and Romspen never informed us that it was able to find other lenders or investors to participate in the Romspen Credit Facility, nor did Romspen ever re-commence funding under the Romspen Credit Agreement.

79. The Petitioners junior loan facility is advanced pursuant to an amended and restated term sheet dated as of August 5, 2021 (the "**2ML Credit Agreement**") between: the Petitioners, as borrowers; the 2ML Lenders, as lenders; 1185678 B.C. Ltd., (the "**2ML Agent**"), as agent to the 2ML Lenders; and various guarantors.

80. Under the 2ML Credit Agreement, the 2ML Lenders have advanced a secured second-lien loan facility to the Petitioners (the "**2ML Credit Facility**", and together with the Romspen Credit Facility the "**Credit Facilities**"), under which the principal amount of approximately \$47.5M is currently claimed, together with interest and other amounts totalling another \$29.2M, for a total of approximately \$76.7M.

Need for Creditor Protection

81. In the year following Romspen advising the Petitioners that no further advances would be forthcoming under the Romspen Credit Facility, and in an economy affected by the pandemic, the GP worked to progress the Development by:

- (a) negotiating with the 2ML Lenders regarding incremental further funding, including securing and completing additional advances under the 2ML Credit Facility in May 2020, July 2020, June 2021, August 2021 and January 2022;

- (b) pursuing refinancing with several established construction lenders and finalizing a term sheet with one lender ("**Construction Lender 1**"). Such loans are only part of the solution to fully funding the Development, which requires additional contributions from equity and mezzanine lenders. This is why, in part, the planned restructuring as set out herein will facilitate the ability to ultimately close on such a construction loan and progress the Development;
- (c) negotiating with project proponents and stakeholders regarding terms of their existing agreements to address project economics, including extensive discussions with the LP's limited partners, the 2ML Agent, and CIBT;
- (d) negotiating with existing suppliers and contractors, including MetroCan and lien claimants;
- (e) securing the Development site, with on-going care and maintenance activities such as de-watering and security; and
- (f) communicating project developments to all stakeholders, including creditors, contractors, suppliers, purchasers, the City of Richmond, Romspen, the LP's limited partners, the 2ML Lenders, the 2ML Agent, and CIBT.

82. Beginning in August 2020, liens were filed on the Real Property on behalf of architects, contractors and MetroCan.

83. On February 22, 2021, Romspen wrote to the Petitioners, issuing demand and stating that the entire principal amount of the Romspen Credit Facility currently outstanding and all accrued and unpaid interest thereon, and all other payments and amounts due under the Romspen Credit Facility, in the amount of \$157,885,395.55 as at February 10, 2021, was immediately due and payable.

84. Romspen required payment by March 4, 2021, and enclosed a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (collectively, the "**Romspen Demand**"). The Romspen Demand provides that Romspen intended to enforce its security as against the Petitioners' property in the event payment was not received by March 4, 2021. Now shown to me and attached as Exhibit "E" is a copy of the Romspen Demand.

85. The Petitioners face the consequent need for protection from creditor action, in light of:

- (a) Romspen suspending senior construction financing under the Romspen Credit Facility;
- (b) the unavailability of further funding under the 2ML Credit Facility;

- (c) the series of builders' liens filed on title to the Real Property; and
- (d) negotiations addressing project economics with major stakeholders indicating relief under the CCAA is necessary to bring a restructuring transaction to fruition.

Sale and Investment Solicitation Process

86. In April 2021, the Petitioners engaged A&M to assist with contingency planning matters and to prepare as necessary for a potential role as monitor under the CCAA should the Petitioners need to file for protection under the CCAA. A&M was to receive fees for this engagement based on its professionals' standard hourly rates. As part of this work A&M helped to coordinate the 2021 SISF process and timeline, and provided weekly reports to stakeholders on the 2021 SISF.

87. In May 2021, upon consultation with the 2ML Lenders and the Agent, the GP engaged CWSF to lead the 2021 SISF, with assistance from A&M and the Petitioners as necessary.

88. Under the 2021 SISF, the Petitioners sought offers from individuals interested in purchasing the assets of, or financing, investing or partnering in the business of, the Petitioners.

89. The timeline for the 2021 SISF was as follows:

Activity	Timeline
Teaser distributed to target list	June 7, 2021
Electronic data room access and diligence	June 7 – 30, 2021
Submission of letters of intent (“LOI”)	July 5, 2021
Executed LOI with Developer 1	July 22, 2021
Executed Developer 1 Restructuring Agreement	September 27, 2021

90. From working with CWSF, I am aware that CWSF:
- (a) identified proponents in the real estate and development sector who may have the ability and interest to participate in the 2021 SISF;
 - (b) developed a list of approximately 30 potential targets for the 2021 SISF, including established real estate developers and investment entities with experience in the Lower Mainland;

- (c) ultimately contacted 31 parties regarding participating in the 2021 SISP and prepared and circulated marketing materials to 29 parties; and
- (d) populated a data site with various Development documents.

91. By July 2021, 17 parties had signed non-disclosure agreements to view the material in the Development data room, with 14 parties active in the data room through June and July.

92. Two parties submitted bids by the deadline of July 5, 2021.

93. On or about July 22, 2021, the Petitioners selected the LOI of one developer ("**Developer 1**") as the successful bid and executed that LOI with Developer 1.

94. On or about September 27, 2021, the Petitioners and Developer 1 entered a Restructuring Agreement (as amended from time to time, the "**Developer 1 Restructuring Agreement**"). The Developer 1 Restructuring Agreement: (a) proposed the acquisition of the Petitioners for a competitive purchase price; (b) included, among other conditions, financing, due diligence, and tax conditions; and (c) required court approval and contemplated the necessity of CCAA proceedings to effect that transaction.

95. For the next four months, the Petitioners and Developer 1 worked to satisfy conditions.

96. On January 21, 2022, Developer 1 wrote to the Petitioners with an alternative, non-binding proposal (the "**Alternative Proposal**") for completing the sale of the Development, with a revised structure and revised purchase price. The Alternative Proposal significantly reduced consideration from what was agreed under the Developer 1 Restructuring Agreement and represented a significant discount in the value of the Petitioners' assets, relative to the reported value of those assets in various appraisals.

97. Upon reflection and consideration, the Petitioners did not accept this revised offer.

98. Ultimately, by January 25, 2022, the parties terminated the Developer 1 Restructuring Agreement, when Developer 1 provided notice that the due diligence conditions could not be satisfied.

RECENT FINANCIAL STATEMENTS

99. Attached hereto and marked as Exhibit “F” are true copies of the LP’s unaudited 2020 financial statements (the “**LP 2020 Financial Statements**”). I have reviewed these materials and believe the information set out therein is accurate.

ASSETS

100. Largely, the LP’s assets consist of cash, trust deposits, deferred management fees, and construction in progress.

101. From reviewing the LP’s 2020 Financial Statements, I am aware that as of December 31, 2020, the LP’s current and long-term assets totalled: \$351,356,154, consisting of:

- (a) cash in the amount of \$67,783;
- (b) trust deposits in the amount of \$49,298,494;
- (c) deferred management fees in the amount of \$3,437,989; and
- (d) construction in progress totalling \$298,551,888.

Pre-sale Trust Deposits

102. As of February 28, 2022, the Petitioners’ real estate counsel holds a total of \$48,467,600.18 on account of pre-sale contracts for the Development.

Property

103. 098 is the registered owner of the Real Property. The LP is the beneficial owner of the Real Property.

104. Since May 1, 2019, Altus Group Limited (“**Altus**”) has completed appraisals and draft appraisals of the Real Property.

105. On or about March 1, 2022, Altus issued its most recent draft appraisal of the Real Property, listing the current market value of the lands “as is” and aggregate market value of the lands “as if complete”, both of which values had significantly increased since 2019. Several Altus appraisals are attached to my confidential affidavit for these proceedings.

106. The Real Property is encumbered by, among other charges, liens, certificates of pending litigation and interests, several mortgages and assignments of rent, which are discussed in detail below. Now shown to me and attached as Exhibit “G” is a copy of the Real Property’s title search.

PARTNERS' CAPITAL

107. The LP December 2020 Financial Statements list partners' capital as totalling \$8,500,000.

LIABILITIES

108. The LP's liabilities are comprised primarily of accounts payable and accrued liabilities, the Credit Facilities, and the GEC PDA.

109. The LP's current and long-term liabilities as reported in the LP 2020 Financial Statements, consist of:

- (a) accounts payable and accrued liabilities of \$83,440,954;
- (b) \$199,415,200 in secured liabilities under the Credit Facilities; and
- (c) the GEC PDA Deposit of \$60,000,000.

110. As described in more detail below, as of this date, \$251,992,049.69 has been demanded and other accounts payable and liabilities are also due.

Summary of Major Secured Liabilities

111. In summary, the Petitioners' primary secured obligations are claimed approximately as follows:

Creditor	Principal claimed/GEC PDA Deposit CAD\$	Interest claimed CAD\$
Romspen	\$143,600,000 as at March 31, 2020	\$31,400,000 as at February 2022
2ML Lenders	\$47,528,816 as at Jan 31, 2022	\$29,163,939 as at Jan 31, 2022, including \$1,187,755 in fees and costs
GEC	\$60,000,000 as at July 7, 2021	\$35,214,147.67 as at July 7, 2021
Total:	\$251,128,816	\$95,778,087

112. A series of priority agreements govern the relationships between Romspen, the 2ML Lenders and GEC, which have been registered on title to the Real Property and include:

- (a) a priority agreement between Romspen, as lender and GEC, as subordinated lender;
- (b) a priority agreement between Romspen, as lender, and the 2ML Agent, as subordinated lender; and
- (c) a priority agreement between the 2ML Agent, as lender, and GEC, as subordinated lender.

CREDIT FACILITIES

113. Romspen, the 2ML Agent and GEC hold security over the Petitioners' Real Property and Romspen and the 2ML Agent hold security over the Petitioners' personal property.

114. Now shown to me and attached as Exhibit "H" are true copies of British Columbia personal property registry searches against each of the Petitioners dated March 7, 2022.

Romspen Credit Agreement

115. Under the Romspen Credit Agreement, between, among others, the Petitioners, as borrowers, and Romspen, as lender, the principal is stated to be \$422,000,000, of which Romspen is committed to provide up to a maximum of \$212,000,000. Now shown to me and attached as Exhibit "I" is a true copy of the Romspen Credit Agreement

116. Under the Romspen Credit Agreement, interest accrues at 10% per annum, compounded monthly, with, among other fees, a loan fee of \$10,550,200 payable, of which \$7,039,629 was paid to Romspen.

117. The Romspen Credit Facility is guaranteed by: Gatland Development Corporation; REV Holdings Ltd.; REV Investments Inc.; South Street Development Managers Ltd.; South Street (Alderbridge) Limited Partnership (by its general partner, South Street (Alderbridge) GP Ltd.); Samuel Hanson; and Brent Hanson (collectively, the "**Guarantors**").

118. The Romspen Credit Facility is secured by, among other things, a mortgage and assignment of rents in the principal amount of \$422,000,000 over the Real Property, a beneficial direction and charge agreement, security agreements from the Petitioners and Guarantors and several share and unit pledge agreements.

119. The Romspen Demand issued February 22, 2021 stated the Petitioners were in default.

120. The Romspen Demand declared the entire principal amount under the Romspen Credit Facility currently outstanding, and all accrued and unpaid interest thereon and all other payments or amounts due under the Romspen Credit Agreement, in the amount of \$157,885,389.55 as of February 10, 2021, immediately due and payable to Romspen.

121. As of March 2020, Romspen claims the principal amount of \$143.6M was owing to Romspen under the Romspen Credit Agreement. And as of February 28, 2022, Romspen claims approximately \$175M is owing to Romspen (inclusive of accrued interest but not fees and costs) under the Romspen Credit Agreement.

122. Since March 2020, when we learned the Romspen would suspend all further draws and advances under the Romspen Credit Agreement, we have remained in regular communication with Romspen as follows:

- (a) Since February 2021, when Romspen issued demand, we have shared our plans for securing alternative construction financing, including the terms of any relevant term sheets, and more recently, we have kept Romspen apprised in detail on the 2021 SISF, the Petitioners' restructuring plans and these proceedings.
- (b) A&M reported regularly to Romspen on the establishment of the 2021 SISF, and developments in the 2021 SISF, with A&M providing weekly reports. Romspen also received copies of the LOIs that the 2021 SISF generated as well as the Developer 1 Restructuring Agreement and Alternative Proposal and CWSF was available, directly and indirectly, to address Romspen's questions.
- (c) Since concluding the 2021 SISF, the Petitioners and their counsel have continued weekly meetings with Romspen, its counsel and A&M, to discuss in detail alternative financing and restructuring strategies pursued by the Petitioners with key stakeholders as well as the basis for pursuing these CCAA restructuring proceedings, the Petitioners' restructuring plan and the need for interim financing.

2ML Credit Agreement

123. The 2ML Credit Agreement between the Petitioners, as borrowers, the 2ML Lenders, as lenders, the 2ML Agent, as agent for the 2ML Lenders and various guarantors, provides for a loan in the maximum principal amount of \$60,000,000. Now shown to me and attached as Exhibit "J" is a true copy of the 2ML Credit Agreement.

124. The 2ML Lenders are either unitholders of the LP or entities associated with unitholders of the LP, namely: R. Jay Management Ltd. ("**RJay**"), J.V. Driver Investments Inc. ("**JVDI**"), MNB Enterprises Inc., G. Wong Holdings Inc., Gatland Development Corporation, REV Investments

Inc., Voth Developments Ltd., Inland Consulting Ltd., Dennis Schwab and Lesley Schwab and South Street (Alderbridge) Limited Partnership.

125. The 2ML Credit Facility was advanced in various tranches detailed below. Over the life of the loan interest varied, compounding monthly. The 2ML Credit Agreement does not create a committed loan facility and states that further advances under the 2ML Credit Agreement are in the discretion of the 2ML Lenders. The 2ML Credit Agreement provides for a maturity date of April 30, 2022 for each of the 2ML Advances (as defined herein).

126. Pursuant to the 2ML Credit Facility, as of January 31, 2022, the 2ML Lenders claim an approximate principal amount of \$47.5M owing, plus \$29.2M in interest, fees and costs.

127. In connection with each advance, the Petitioners granted a promissory note (collectively, the "**2ML Promissory Notes**"), with varying interest rates and maturity dates, in favour of the 2ML Lender making the applicable advance, or where multiple 2ML Lenders made an advance, in favour of the 2ML Agent, on behalf of the 2ML Lenders. The 2ML Promissory Notes have various interest rates as detailed below and various maturity dates as detailed below. Now shown to me and attached as Exhibit "K" are true copies of the 2ML Promissory Notes.

128. The 2ML Credit Facility is guaranteed by the Guarantors, with limited guarantees from G. Wong Holdings Inc. and MNB Enterprises Inc.

129. The 2ML Credit Facility is secured by, among other things, a mortgage and assignment of rents in the principal amount of \$60,000,000 over the Real Property and a beneficial direction and charge agreement, which among other things, grants site specific all asset security in favour of the 2ML Agent.

130. The advances under the 2ML Credit Facility are referred to as the Initial, First, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Advances (collectively, the "**2ML Advances**"). Now shown to me, and attached as Exhibit "L", is a table summarizing the 2ML Advances and 2ML Promissory Notes, based on information provided by the 2ML Agent.

131. The First, Second, Third and Fourth Promissory Notes were provided to document fees for the corresponding 2ML Advance, which fees were not paid on the date of the relevant advance.

132. The Fifth, Sixth, Seventh and Eighth Promissory Notes document the corresponding loans made by the Fifth, Sixth, Seventh and Eighth Advance.

133. The 2ML Credit Agreement also involves the following documents:

- (i) an amended and restated lenders agreement dated August 5, 2021 (the "**2ML Lenders Agreement**") between each of the 2ML Lenders, regulating payment priorities amongst the 2ML Lenders; and

- (ii) an amended and restated agency agreement dated August 5, 2021 (the “**Agency Agreement**”), appointing the 2ML Agent, as agent acting for and on behalf of the 2ML Lenders under the 2ML Credit Agreement, between the 2ML Agent, as agent, and the 2ML Lenders, as lenders.

134. Now shown to me and attached as Exhibit “M” is a true copy of the 2ML Lenders Agreement and the Agency Agreement.

135. Under the Agency Agreement, RJay had the right to direct the 2ML Agent on behalf of the 2ML Lenders. Upon the occurrence of certain events, JVDI may provide directions to the 2ML Agent in place of RJay.

136. By a letter dated March 22, 2021, JVDI gave notice that it was exercising its right to direct the 2ML Agent, following good faith consultation with RJay. JVDI has acted in that capacity since that time to the current date.

2ML Lenders’ Advances

137. The 2ML Lenders contributed differing amounts to the 2ML Advances. Now shown to me and attached as Exhibit “N”, and based on information provided by the 2ML Agent, is a table summarizing the amounts claimed by the 2ML Lenders’ for the 2ML Advances.

138. The 2ML Lenders Agreement sets out that repayment (essentially the priority waterfall) from the Petitioners is to be allocated among the 2ML Lenders as follows:

- (a) first, to the 2ML Lenders participating in the Seventh and Eighth Advances *pro rata* according to the percentages set out in the 2ML Lenders Agreement;
- (b) second, to JVDI the payment of the principal on the Third Advance;
- (c) third, to JVDI the payment of the interest on the Third Advance;
- (d) fourth to South Street (Alderbridge) Limited Partnership the payment of all amounts payable to it under the Sixth Advance Promissory Note;
- (e) fifth, to the 2ML Lenders participating in the Fifth Advance the payment of all amounts payable to those 2ML Lenders under the Fifth Advance Promissory Note;
- (f) sixth, to JVDI, the ongoing payment of all fees and costs incurred relating to the Third Advance;

- (g) seventh, to RJay the payment of all interest on the Second Advance and the Fourth Advance and all amounts payable to RJay under the Fourth Advance Promissory Note;
- (h) eighth, to RJay the payment of the principal on the Second and Fourth Advances;
- (i) ninth, to RJay all other amounts payable pursuant to the Second Advance Promissory Note;
- (j) tenth, to the 2ML Lenders participating in the Initial Advance, the payment of all interest on the Initial Advance *pro rata* according to the percentages set out in the 2ML Lenders Agreement and all amounts payable to those 2ML Lenders under the Fourth Advance Promissory Note;
- (k) eleventh, to the 2ML Lenders participating in the First Advance, and JVDI, only in respect of the Fourth Advance Promissory Note, the payment of the interest on the First Advance *pro rata* according to the percentages set out in the 2ML Lenders Agreement and all amounts payable to those 2ML Lenders and JVDI under the Fourth Advance Promissory Note;
- (l) twelfth, to the 2ML Lenders participating in the Initial Advance, the payment of principal on the Initial Advance *pro rata* according to the percentages set out in the 2ML Lenders Agreement;
- (m) thirteenth, to the 2ML Lenders participating in the First Advance, the payment of the principal on the First Advance *pro rata* according to the percentages set out in the 2ML Lenders Agreement;
- (n) fourteenth, to the 2ML Lenders participating in the First Advance, the payment of all other amounts payable pursuant to the First Advance Promissory Note; and
- (o) fifteenth, to JVDI, all other amounts payable pursuant to the Third Advance Promissory Note.

139. The 2ML Agent has confirmed to the GP, that it supports these CCAA proceedings. That support is premised on the Petitioners seeking approval of the restructuring efforts, including the CCAA SISP described herein.

Other Liabilities/Other Security

GEC PDA

140. The LP is also a party to the GEC PDA. Over seven installments, a \$60,000,000 deposit (the “**GEC PDA Deposit**”) had been paid to the LP in connection with the GEC PDA. Interest on the GEC PDA Deposit accrues to the benefit of the purchaser from the date each installment of the GEC PDA Deposit is released to the LP. The Purchase price in the GEC PDA is subject to adjustments including interest on the GEC PDA Deposit.

141. In connection with the GEC PDA Deposit, 098 granted a mortgage in the principal amount of \$65,000,000 in favour of GEC (Richmond) GP Inc. (the “**GEC Mortgage**”).

142. On June 9, 2021, counsel to GEC (Richmond) GP Inc., the general partner of GEC, wrote to 098, issuing demand (the “**GEC Demand**”) and stating that the full amount due and owing pursuant to the GEC Mortgage was due and owing, in the amount of \$94,106,654.14 as at June 8, 2021 with interest of 15% per annum, calculated and compounded quarterly accruing at a rate of \$38,673.97 per day, and enclosing a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act*. Now shown to me and attached as Exhibit “O” is a copy of the GEC Demand.

143. The GEC Demand stated that GEC required payment by June 8, 2021, without which proceedings may be commenced to recover amounts owing under the GEC Mortgage.

Other creditors

144. The Petitioners have one other secured creditor with a security registration relating to site equipment registered in the British Columbia personal property registry.

Liens

145. As of March 3, 2022, the following liens are registered on title to the Real Property, all naming the LP as the entity indebted to the lien claimant, unless otherwise indicated below:

	Lien Claimant	Amount	Date Filed	Registration No.
1	GBL ARCHITECTS INC. (naming South Street Financial Corp. as the person indebted to the lien claimant)	\$539,996.94	August 13, 2020	CA8358916

2	RUSH CONTRACTORS GROUP INC. (naming Metro-Can Construction (AT) Ltd. as the person indebted to the lien claimant)	\$4,247,963.34	August 19, 2020	CA8372128
3	KELLER FOUNDATIONS LTD. (naming Metro-Can Construction (AT) Ltd. as the person indebted to the lien claimant)	\$2,364,979.52	August 20, 2020	CA8374576
4	METRO-CAN CONSTRUCTION (AT) LTD.	\$11,291.75	September 15, 2020	CA8430747
5	METRO-CAN CONSTRUCTION (AT) LTD.	\$6,351,083.73	September 15, 2020	CA8430748
6	METRO-CAN CONSTRUCTION (AT) LTD.	\$1,390,796.43	September 15, 2020	CA8430749
7	METRO-CAN CONSTRUCTION (AT) LTD.	\$25,200.00	September 15, 2020	CA8430750
8	METRO-CAN CONSTRUCTION (AT) LTD.	\$161,061.55	December 11, 2020	CA8639513
9	METRO-CAN CONSTRUCTION (AT) LTD.	\$17,895.73	December 11, 2020	CA8639514
10	METRO-CAN CONSTRUCTION (AT) LTD.	\$708,096.01	March 1, 2021	CA8808803
11	METRO-CAN CONSTRUCTION (AT) LTD.	\$10,124.42	March 1, 2021	CA8808900
12	STORM GUARD WATER TREATMENT INC.	\$217,258.84	August 26, 2021	CA9305990
13	STORM GUARD WATER TREATMENT INC. (naming Rush Contractors Group Inc. as the person indebted to the lien claimant)	\$562,273.38	August 26, 2021	CA9305991
14	GLOTMAN SIMPSON CONSULTING ENGINEERS	\$24,908.45	September 16, 2021	WX2169278

15	METRO TESTING & ENGINEERING LTD. (naming South Street Development Group as the person indebted to the lien claimant)	\$231,338.23	September 20, 2021	WX2169384
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146. GBL Architects Inc., Keller Foundations Ltd., MetroCan, and Storm Guard have each also registered a certificate of pending litigation on title to the Real Property.

Taxes

147. As of March 3, 2022, property taxes were due and owing on the Real Property (for the years 2020 and 2021) in the amount of \$1,673,668.85.

KEY SUPPLIERS

Payables

148. I understand that as of February 28, 2022, the LP's accounts payable totalled \$61,635,251.42 and included key categories such as: real estate brokers, construction services, property taxes, engineers, and architects and that:

- (a) development management fees owing to the Development Manager totalled \$10,481,667; and
- (b) financing fees owing to Gatland Capital Corporation totalled \$2,604,601.

149. I believe that some of the Petitioners' key suppliers and service providers are critical to the continued progress of the Development.

150. If granted CCAA protection, we intend to work with the Monitor (as defined herein) to identify those suppliers that are essential to construction of the Development.

151. Such suppliers will include those whose services will be critical to preserving the value of the project and the Real Property and ensuring the continued operation of the Petitioners' business, including parties providing safety, security, engineering and architectural services, environmental testing and certain rental equipment, including, among others:

- (a) Storm Guard, providing regular and the only site de-watering services for the Development, which is critical for the integrity of the site; and
- (b) Noble, managing the site on a day-to-day basis, as required by the City of Richmond, and providing site safety and supervision.

CCAA RELIEF AND THE INSOLVENCY OF THE PETITIONERS

152. The Petitioners are currently in a liquidity crisis, primarily due to the Petitioners' senior secured lender ceasing funding, which has made it necessary for the Petitioners to pursue refinancing and restructuring efforts, as well as a potential sale of the Development or a combination thereof, all of which has occurred during a global pandemic.

153. The Petitioners' senior secured lender, Romspen, has suspended further draws under the Petitioners' construction facility and issued demand. Romspen is in a position to enforce its security, including a mortgage on the Development Real Property. The Development is not generating new sales or revenue. These factors have necessitated a restructuring of the Petitioners' affairs.

154. The directors of the GP have spent the past two years in discussions with key project proponents.

155. Following the 2021 SISF, and over the past several months, we re-engaged with several construction lenders, including Construction Lender 1, and possible project partners, including established local developers, to discuss possible paths forward for the Development.

156. During these discussions, several term sheets have been reviewed and negotiated.

157. The 2ML Agent has most recently presented a draft term sheet delivered March 25, 2022, for a competitive credit bid (the "**2ML Lenders Credit Bid Term Sheet**"), which would see, among other things:

- (a) payment in cash for all amounts secured by charges granted in the Petitioners' CCAA proceedings and any other debts or claims of the Petitioners that have priority over the 2ML Lenders' secured debt under the 2ML Credit Agreement, including any interim financing;
- (b) payment in cash for the principal, interest and costs owed to Romspen under the Romspen Credit Agreement; and
- (c) a credit bid of a significant portion of the 2ML Lender debt, which would be converted to equity.

158. The principal terms of the 2ML Lenders Credit Bid Term Sheet have been negotiated and are largely agreed to between the 2ML Agent and the Petitioners and we hope to finalize the structure in the coming days.

159. Construction Lender 1 has presented a term sheet dated March 4, 2022, that we believe can be pursued as part of a restructuring upon exit from these CCAA proceedings, to provide the

Development with sufficient funds to progress construction. This term sheet is attached to my confidential affidavit.

160. The GP, and counsel, have also continued to consult with key Development stakeholders, including Romspen, the 2ML Agent, 2ML Lenders, CIBT, the LP limited partners, and MetroCan (representing a variety of lienholders), on the path forward for the Development and the Petitioners' plans for restructuring within these proceedings.

161. For the past two years, the Petitioners have made every effort to resolve their financial challenges without CCAA proceedings. The Petitioners are now in a position to move forward, however it has become clear that potential interested parties require the relief provided by the CCAA in order to enter a restructuring transaction that will see the Development advance.

162. The Petitioners are now seeking relief under the CCAA to preserve their operations, to prevent enforcement steps from being taken in respect of the Petitioners' secured debt facilities, and to preserve the opportunity to complete a restructuring. The directors of the GP and 098 have years of experience with this particular project and decades of experience in property development, which can be capitalized on to move the Development to completion, now on a phased basis to reduce capital requirements, and maximize stakeholder recovery.

163. Through many months of consultation with key project stakeholders, I believe that that with the ability to restructure under the CCAA, the Petitioners will be able to strengthen the LP's balance sheet by pursuing a restructuring transaction that would be effected by way of a credit bid, which would among other things, see Romspen and any other priority claims paid, and a significant portion of the 2ML Lenders' debt converted to equity as part of an overall restructuring of the LP itself.

164. With a successful credit bid, it is anticipated that the LP, led by the GP, would then be in a position to progress the Development by pursuing the sale of future phases of the Development, advancing permits, arranging further construction financing on a phased basis, and commencing construction in a post-COVID economy, supported by a lift in land value and strong local real estate market.

165. However, in tandem with these restructuring efforts, it is anticipated that the CCAA SISF would be implemented by a monitor with enhanced powers and that the 2ML Lenders pursuing a credit bid would participate in the CCAA SISF as a bidder.

166. Running the CCAA SISF parallel to the Petitioners' restructuring efforts will help ensure that a restructuring or transaction results from these proceedings, that offers the greatest benefit to stakeholders.

167. In consultation with Romspen, and the Proposed Monitor (as defined below) the Petitioners have developed an outline for the CCAA SISP.

168. I understand that if relief is granted under the CCAA, the Petitioners would seek a Court order (the "**SISP Approval Order**") approving the CCAA SISP at the Comeback Hearing.

169. Now shown to me and attached as Exhibit "P" is a proposed CCAA SISP outline, including key milestones for the CCAA SISP and a draft SISP Approval Order, each in substantially the form which we anticipate presenting at the Comeback Hearing.

170. As it is anticipated that the 2ML Lenders will be a bidder and participate in the CCAA SISP, and as certain 2ML Lenders are unitholders in the LP or directors of the GP, the Petitioners are seeking an initial order providing for the CCAA monitor to have enhanced powers to, among other things, implement the CCAA SISP.

171. Given the tight timelines for the CCAA SISP, it is anticipated that the Proposed Monitor, if appointed as Monitor, will take preliminary steps regarding the CCAA SISP in advance of the granting of the SISP Approval Order. In particular, it is anticipated that the Monitor would work to retain a sales agent.

Statutory Requirements of the CCAA

172. The Petitioners are entities to which the CCAA applies and have debts in excess of \$5,000,000.

173. As set out above, the Petitioners are in the midst of a liquidity crisis. They are insolvent on a cash flow basis and are unable to meet their obligations as they generally come due.

174. A&M (in this capacity, the "**Proposed Monitor**") is prepared to act as Court-appointed monitor should an Initial Order be obtained.

175. In consultation with the Proposed Monitor, the Petitioners have prepared a 5-week cash flow statement for the period ending April 29, 2022 (the "**Cash-Flow Statement**"). Now shown to me and attached as Exhibit "Q" is a copy of the Cash-Flow Statement.

176. I have reviewed the Cash-Flow Statement with personnel from the Proposed Monitor and believe it is accurate. As evidenced by the Cash-Flow Statement, the Petitioners require approximately \$1,000,000 in order to meet their obligations through to the end of the Cash-Flow Statement period, being April 29, 2022.

Relief Requested

Stay of Proceedings

177. A stay of proceedings is essential to maintaining the *status quo* in order to preserve the value of the Petitioners' business, while providing time for the Petitioners to explore, with the assistance of the Proposed Monitor, restructuring opportunities that will provide sufficient capital to stabilize the Petitioners' operations and the ability to progress the Development in a manner that offers the greatest benefit to numerous stakeholders.

Interim Financing

178. As mentioned, it is anticipated that during the Cash-Flow Statement Period, the Petitioners will require incremental financing in an amount of \$1,000,000.

179. Without interim financing, the Petitioners will not have sufficient cash on hand to continue operating and completing a restructuring. Continued operations involve site dewatering and maintaining site security, preserving value in the Petitioners' primary asset, the Real Property.

180. In order to support certain near-term liquidity requirements, and on the premise that the Petitioners will successfully restructure their operations or complete a proposed transaction with a successful bidder, Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership have agreed to act as interim lender (collectively, and in such capacity, the "**Interim Lender**") during these CCAA proceedings, and to provide an interim financing facility (the "**Interim Financing Facility**") under a term sheet between the Petitioners and the Interim Lender, dated March 30, 2022 (the "**Interim Financing Credit Agreement**"). Now shown to me and attached as Exhibit "R" is a true copy of the Interim Financing Credit Agreement.

181. It is a condition of the Interim Financing Facility that advances made to the Petitioners be secured by a court-ordered security interest, lien and charge over all the assets and undertakings of the Petitioners (the "**Interim Financing Charge**").

182. The key financial terms of the Interim Financing Credit Agreement include:

- (a) Interim Financing Facility will be a priority, interim revolving credit facility up to a maximum principal amount of \$1,000,000;
- (b) interest is payable at a rate equal to 10% per annum. Interest will accrue daily on the aggregate outstanding principal of the Interim Financing Facility and shall be calculated and payable in cash in arrears on the first business day of each month; and

- (c) a closing fee of \$25,000 will be payable to the Interim Lender on the date the initial advance is made under the Interim Financing Facility.

183. In addition to the above financial terms, the Interim Financing Credit Agreement provides for a maturity date that is the earlier of: (i) the occurrence of an Event of Default (as defined in the Interim Financing Credit Agreement); (ii) the implementation of a plan within the Petitioners; CCAA proceedings, which has been approved by the requisite majorities and by order entered by the Court; (iii) the conversion of the Petitioners' CCAA proceedings into a proceeding under the *Bankruptcy and Insolvency Act (Canada)*; (iv) the sale of substantially all of the Collateral (as defined in the Interim Financing Credit Agreement); and (v) July 27, 2022.

184. Further, the Interim Financing Credit Agreement contains, among others, the following key provisions:

- (a) the Interim Financing Facility is to be used for working capital, including restructuring cost in CCAA proceedings; to make payments to comply with court orders in the CCAA; to pay professional fees of the Interim Lender in connection with the CCAA; and to pay fees and expenses of the beneficiaries of the Administration Charge and professional fees of the Petitioners and Monitor; and
- (b) certain conditions precedent to funding of the effectiveness of the Interim Financing Credit Agreement, including:
 - (i) the Petitioners obtaining the Initial Order, containing certain court-ordered charges, including the Interim Financing Charge; and
 - (ii) payment of all fees and expenses of the Interim Lenders incurred in connection with the Interim Financing Facility.

185. The Petitioners and their financial advisors have considered different financing options, and determined that it would be very difficult to obtain the requisite financing for these CCAA proceedings with another third party lender, as opposed to the Interim Lender, in the circumstances and given the timelines the Petitioners are working with in this restructuring. Further, any such financing would likely have to involve security subordinate to the senior secured lender's security or on an unsecured basis, which would likely be problematic or not feasible for other third parties.

186. Accordingly, the Petitioners have focused efforts on negotiating interim financing with the Interim Lender, which has resulted in the Interim Financing Credit Agreement. The Petitioners believe that such financing is necessary to fund their operations and conclude a restructuring that will benefit all stakeholders.

187. As set out in the Cash Flow Statement, the Petitioners anticipate that approximately \$850,000 will be required for their operations and restructuring efforts from the date of the Initial Order to the date of the Comeback Hearing. The Petitioners believe this amount is reasonable given what is required to operate and preserve the Development in the ordinary course, and to fund the various costs of the restructuring during that period.

188. The Petitioners anticipate returning to Court for the Stay Extension Hearing on or about April 11, 2022 to seek a further stay extension and returning to Court on or about April 25, 2022 for the Comeback Hearing, to seek approval to request subsequent advances under the Interim Financing Facility and to obtain the amended and restated Initial Order.

Administration Charge

189. The Petitioners' legal counsel, the Proposed Monitor and the Proposed Monitor's legal counsel are essential to the Petitioners' restructuring. They have each advised that they are prepared to continue to provide professional services to the Petitioners if they are protected by a charge over the assets, property and undertakings of the Petitioners in priority to all other charges.

190. An administration charge of \$300,000 (the "**Administration Charge**") is proposed to rank first in priority to all other encumbrances, including all other Court-ordered charges and the security interests registered with respect to the proven secured claims of Romspen (the "**Romspen Security**").

191. The Administration Charge will ensure that the Petitioners retain access to the professionals whose expertise and knowledge is required to pursue a successful restructuring under the CCAA. The Petitioners believe that the Administration Charge is necessary to ensure their important continued participation this process, and is fair and reasonable in the circumstances.

Interim Financing Charge

192. In addition, it is contemplated that the Interim Lender be granted, in respect of the Interim Financing Credit Agreement and Interim Financing Facility provided for therein, the Interim Financing Charge, up to a maximum of \$850,000 until the Comeback Hearing, being a fourth priority Court-ordered charge on the assets, property and undertakings of the Petitioners in priority to all other charges other than the Administration Charge, the Directors' Charge (as defined below), and the Romspen Security.

193. Given the Petitioners' urgent need for funding during the initial period of CCAA proceedings, in large part to pay essential creditors and contractors, the Petitioners believe that the Interim Financing Charge as requested is fair and reasonable in the circumstances.

Directors' Charge

194. The Petitioners are also seeking a charge in favour of the GP's and 098's directors, including myself, over the Petitioners' assets, property, and undertakings, in priority to all other charges other than the Administration Charge, up to a maximum of \$75,000 (the "**Directors' Charge**"), to indemnify the directors in respect of liabilities they may incur as directors of the Petitioners in these proceedings.

195. A successful restructuring of the Petitioners' affairs requires the continued participation of the GP's and 098's directors. These individuals have specialized expertise, decades of combined experience in this industry, and key relationships with the Petitioners' stakeholders. The directors have knowledge that cannot be easily replaced or replicated. The Petitioners therefore believe that the Directors' Charge is fair and reasonable in the circumstances.

196. The GP's and 098's directors, including myself, would like certainty with respect to potential personal liability if we continue in our current capacities for the benefit of the Petitioners' stakeholders during the CCAA proceedings, and will benefit from the Directors' Charge.

Priority Ranking of Charges.

197. The Petitioners propose that the charges they seek be secured against their assets, properties and undertaking ranking in priority as follows:

- (a) firstly, the Administration Charge;
- (b) secondly, the Directors' Charge;
- (c) thirdly, the Romspen Security; and
- (d) fourthly, the Interim Financing Charge.

(collectively, the "**Charges**").

198. Pursuant to the terms of the Initial Order, it is proposed that the Charges rank in priority subsequent to the security interest perfected by the financing statement (the "**Financing Statement**") set out in Schedule "B" of the Initial Order. It is proposed that the Financing Statement retain the priority set out in the Initial Order.

Payments During CCAA Proceedings

199. An inability to keep trade accounts current would prejudice the Petitioners' operations and threaten the value of major assets. Therefore, the Petitioners seek authorization, subject to review by the Proposed Monitor (once appointed as Monitor), to pay certain third party creditors for

having supplied pre-filing goods and services in the ordinary course of the Petitioners' business, as reviewed and approved by the Proposed Monitor (once appointed as Monitor). The Petitioners should also be authorized to pay essential post-filing trade accounts.

200. Any such anticipated payments would relate to site security, site dewatering, general contractors and architectural services, and other essential parties necessary to maintain operations.

Position of Secured Creditors

201. These CCAA proceedings aim to see the indebtedness to Romspen under the Romspen Credit Agreement, together with all amounts advanced under the Interim Financing Facility, paid out in full upon a successful restructuring.

202. The directors of the GP, and counsel, have consulted regularly with Romspen, the 2ML Lenders and CIBT on the Petitioners' refinancing and restructuring efforts, and more recently with these stakeholders and their counsel regarding these CCAA proceedings and the Petitioners' proposal for restructuring.

203. I believe that the 2ML Agent, representing the 2ML Lenders, supports the Petitioners' proposed CCAA filing and the Charges as proposed herein.

Monitor

204. I believe that the Proposed Monitor has acted as a monitor in this and other Canadian jurisdictions and is qualified and competent to act as a monitor in these proceedings. At no time in the past two years, has the Proposed Monitor or any of its partners or managers been any of the Petitioners' group auditor, accountant or employee.

205. The Petitioners have requested the Proposed Monitor serve as monitor in these proceedings (the "**Monitor**"), to provide court supervision and to generally assist the Petitioners with their restructuring efforts, and the Proposed Monitor has advised the Petitioners that it is willing to act as Monitor, if appointed. Now shown to me and attached as Exhibit "S" is a copy of the consent to act as monitor provided by the Proposed Monitor dated March 30, 2022.

CONCLUSION AND URGENCY

206. I swear this affidavit in support of the granting of an Initial Order for the Petitioners under the CCAA, including a stay of proceedings, for the purposes of providing the Petitioners with the opportunity to restructure their affairs.

207. The Petitioners require the relief sought on an urgent basis due to their liquidity challenges and inability to pay creditors, including lenders and suppliers, as well as the insolvency-related

default provisions of their secured debt facilities. Romspen has issued demand and is in a position to enforce its security.

208. Without the stay of proceedings and other relief provided by the CCAA, the Petitioners will not be able to repay the Romspen Credit Facility, and complete the restructuring necessary to improve their financial position, to the benefit of all stakeholders.

209. The Petitioners are seeking relief under the CCAA on short notice to preserve and stabilize their operations, to prevent enforcement steps from being taken in respect of their secured debt facilities, and to preserve the opportunity to restructure their business to offer the greatest benefit to numerous stakeholders.

SWORN (OR AFFIRMED) BEFORE ME at
Vancouver, British Columbia, on March 31,
2022.



A Commissioner for taking Affidavits within
British Columbia


Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



GRAHAM THOM

This is **Exhibit "A"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022


A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



BC Company Summary

For
ALDERBRIDGE WAY GP LTD.

Date and Time of Search: March 30, 2022 09:07 AM Pacific Time
Currency Date: November 25, 2021

ACTIVE

Incorporation Number: BC1121359
Name of Company: ALDERBRIDGE WAY GP LTD.
Business Number: 710623125 BC0001
Recognition Date and Time: Incorporated on June 02, 2017 10:33 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: June 02, 2021 **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
ALDERBRIDGE WAY GENERAL PARTNER LTD.	June 05, 2017

REGISTERED OFFICE INFORMATION

Mailing Address: 20TH FLOOR 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA	Delivery Address: 20TH FLOOR 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA
--	---

RECORDS OFFICE INFORMATION

Mailing Address: 20TH FLOOR 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA	Delivery Address: 20TH FLOOR 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA
--	---

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Hanson, Sam

Mailing Address:200, 1778 WEST 2ND AVE
VANCOUVER BC V6J 1H6
CANADA**Delivery Address:**200, 1778 WEST 2ND AVE
VANCOUVER BC V6J 1H6
CANADA**Last Name, First Name, Middle Name:**

Ratzlaff, Jason

Mailing Address:28235 SMITH AVENUE
ABBOTSFORD BC V4X 1C6
CANADA**Delivery Address:**28235 SMITH AVENUE
ABBOTSFORD BC V4X 1C6
CANADA**Last Name, First Name, Middle Name:**

Thom, Graham

Mailing Address:SUITE 760 - 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H1
CANADA**Delivery Address:**SUITE 760 - 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H1
CANADA

NO OFFICER INFORMATION FILED AS AT June 02, 2021.



Limited Partnership Summary

For

ALDERBRIDGE WAY LIMITED PARTNERSHIP

Date and Time of Search: March 30, 2022 09:06 AM Pacific Daylight Time
Currency Date: February 02, 2022

ACTIVE

Registration Number: LP0720442
Name of Limited Partnership: ALDERBRIDGE WAY LIMITED PARTNERSHIP
Registration Date: June 05, 2017
Termination Date:

REGISTERED OFFICE INFORMATION

Registered Office Address:
2000 - 250 Howe ST
Vancouver BC V6C3R6

GENERAL PARTNER INFORMATION

Individual or Company Name: ALDERBRIDGE WAY GP LTD.	Incorporation or Registration 1121359
Residential or Registered Address: 20th Floor 250 Howe Street Vancouver BC CANADA V6C 3R8	

LP720442

I CERTIFY THIS IS A COPY OF A
DOCUMENT FILED ON

MAY 03 2018

PARTNERSHIP ACT, 1996 R.S.B.C., C. 348AMENDED AND CERTIFICATE OF LIMITED PARTNERSHIPALDERBRIDGE WAY LIMITED PARTNERSHIPREGISTRATION NUMBER: LP720442

Albert
2 CAROL PREST
REGISTRAR OF COMPANIES
PROVINCE OF BRITISH COLUMBIA

The undersigned, Alderbridge Way GP Ltd., a company incorporated under the laws of British Columbia and the sole General Partner of Alderbridge Way Limited Partnership (the "Partnership"), hereby amends and restates the Certificate of Limited Partnership pursuant to section 70 of the *Partnership Act* (British Columbia) and certifies as follows:

1.0 BUSINESS NAME

The business name under which the Partnership is to be conducted is "ALDERBRIDGE WAY LIMITED PARTNERSHIP".

2.0 BUSINESS

The Partnership shall carry on the business of purchasing, constructing, developing, selling and or leasing real property located in Richmond, British Columbia with a view to making a profit; and may exercise such powers and do any and all acts and things necessary, proper, convenient or incidental to the accomplishment of its business ("Partnership Business").

3.0 GENERAL PARTNER

The full name and address in British Columbia of the sole General Partner of the Partnership is:

Alderbridge Way GP Ltd.
20th Floor, 250 Howe Street
Vancouver, BC V6C 3R8

4.0 TERM

The term of the Partnership shall be for a period commencing on June 5, 2017 and shall continue until the earlier of:

- (a) the termination or dissolution of the Partnership as required by operation of law or by judicial decree;
- (b) the termination or dissolution of the Partnership as approved by Extraordinary Resolution; and
- (c) the date the General Partner declares the Partnership to be dissolved following at least two consecutive years during which the Partnership is insolvent,

but the Partnership shall not terminate until its assets have been distributed in accordance with the limited partnership agreement for the Partnership (the "Partnership Agreement").

5.0 CONTRIBUTION BY LIMITED PARTNERS

5.1 Capital Contributions

The capital of the Partnership shall be the aggregate amount of the Capital Contributions of the General Partner and the Limited Partners as such amount may change from time to time. The aggregate amount of cash contributed by way of capital by all of the Limited Partners to the Partnership was \$8,500,000.

5.2 Classes of Units

The interest in the Partnership (excluding the General Partner's interest in the Partnership) shall be divided into the following number and class of Units:

- (a) unlimited number of Class A Units;
- (b) unlimited number of Class B Units;
- (c) unlimited number of Class C Units;
- (d) unlimited number of Class D Units;
- (e) unlimited number of Class E Units; and
- (f) unlimited number of Class F Units.

6.0 ADDITIONAL CAPITAL CONTRIBUTIONS FROM LIMITED PARTNERS

6.1 Required Additional Capital Contributions

Notwithstanding any other provision in the Partnership Agreement, on or before October 1, 2022, the following Limited Partners shall make the following additional Capital Contributions:

- (a) the Class A Limited Partner shall contribute an additional \$2,500,000 in one or more tranches;
- (b) the Class B Limited Partner shall contribute an additional \$2,500,000 in one or more tranches; and
- (c) the Class C Limited Partner shall contribute an additional \$2,500,000 in one or more tranches.

6.2 Additional Capital Contributions Generally

The General Partner may request that the Limited Partners contribute additional Capital Contribution in accordance with their Sharing Ratio.

7.0 PROFIT SHARING BASIS

7.1 Allocation of Net Income and Taxable Income

The Net Income and Taxable Income of the Partnership for each Fiscal Period shall be allocated as at the end of each Fiscal Period among the Partners as at the end of such Fiscal Period as follows:

- (a) as to 0.001% thereof, to the General Partner;
- (b) as to 69.9993% thereof to the ABC Limited Partners in accordance with their ABC Ratio; and
- (c) as to 29.9997% thereof to the Class D Limited Partners, the Class E Limited Partners and the Class F Limited Partners in accordance with their DEF Ratio.

7.2 Allocation of Net Loss and Taxable Loss

The Net Loss and Tax Loss of the Partnership for each Fiscal Period shall be allocated as at the end of such Fiscal Period among the Partners as at the end of such Fiscal Period as follows:

- (a) as to 0.001% thereof, to the General Partner;
- (b) as to 69.9993% thereof to the ABC Limited Partners in accordance with their ABC Ratio; and
- (c) as to 29.9997% thereof to the Class D Limited Partners, the Class E Limited Partners and the Class F Limited Partners in accordance with their DEF Ratio.

7.3 Distributions of Distributable Cash

7.3.1 Subject to Section 7.5, all Distributable Cash shall be distributed at the discretion of the General Partner in the following manner and priority:

- (a) first, to the Class D Limited Partners, the Class E Limited Partners and the Class F Limited Partners in accordance with their DEF Ratio until the amount which when aggregated with all previous distributions made pursuant to this Section 7.3.1(a) is equal to \$7,000,000;
- (b) second, to the ABC Limited Partners in accordance with their ABC Ratio until the amount which when aggregated with all previous distributions made pursuant to this Section 7.3.1(b) is equal to \$9,000,000; and
- (c) third, the balance shall be distributed to the Partners as follows:
 - (i) as to 0.001% thereof, to the General Partner;
 - (ii) as to 69.9993% thereof to the ABC Limited Partners in accordance with their ABC Ratio; and

- (iii) as to 29.9997% thereof to the Class D Limited Partners, the Class E Limited Partners and the Class F Limited Partners in accordance with their DEF Ratio.

7.3.2 The amount of Distributable Cash distributed to a Limited Partner for each Fiscal Period may be different from the amount of Net Income, Net Loss, Taxable Income or Tax Loss allocated to such Limited Partner for the Fiscal Period.

7.4 Repayment of Excess

If, as determined by the General Partner, any Person has received by distribution an amount which is in excess of its entitlement at any time, such Person shall forthwith repay to the Partnership the amount of such excess on receiving notice from the General Partner requiring repayment.

7.5 Deductions

The General Partner may deduct from any distribution to a Limited Partner provided for in Section 7.3.1 an amount equal to the amount received by any Limited Partner which is in excess of its entitlement at any time, if that amount has not been repaid on notice being sent to the Limited Partner from the General Partner in accordance with Section 7.4.

8.0 INTEREST

No Partner shall be entitled to receive interest from the Partnership on the amount of its Capital Account or Current Account and no Partner shall be liable to pay interest to the Partnership on any negative balance in its Capital Account or Current Account. No Partner shall be entitled to withdraw any funds from the Capital Account or Current Account maintained for such Partner except in compliance with the Partnership Agreement.

9.0 RIGHT TO SUBSTITUTE AN ASSIGNEE

The right of a Limited Partner to substitute an assignee as contributor in its place is restricted to the circumstances in which a Limited Partner may transfer its Units of the Partnership as set out in the Partnership Agreement.

10.0 ADMISSION OF ADDITIONAL LIMITED PARTNERS

Subject to the pre-emptive rights in the Partnership Agreement, the General Partner is authorized to admit additional Limited Partners to the Partnership without the consent of any of the existing Limited Partners.

11.0 ISSUE AND TRANSFER OF UNITS

No Units shall be allotted, issued, sold, transferred, assigned, mortgaged, pledged, charged, hypothecated or otherwise encumbered or disposed of or shall cease to be held by the Limited Partners except as expressly required or permitted pursuant to the provisions of the Partnership Agreement or with the prior written consent of the General Partner. Any purported transfer by any Limited Partner other than in accordance with the terms of the Partnership Agreement shall be null and void and of no force and effect.

12.0 GREATER RIGHTS OF LIMITED PARTNERS

Only the Class A Limited Partners, the Class B Limited Partners, the Class C Limited Partners, the Class D Limited Partners, and the Class E Limited Partners shall be entitled to vote.

13.0 CONTINUITY

Subject only to the provisions of the *Partnership Act* (British Columbia), the Partnership shall not be dissolved or terminated by the resignation, removal, death, mental incapacity, insanity, bankruptcy, insolvency, receivership, dissolution, liquidation or winding-up or any other disability of any Partner, or by the transfer of any Units in accordance with the terms of the Partnership Agreement, or by the admission of a new Limited Partner or General Partner or by the amendment to any or all of the terms and conditions of the Partnership Agreement to facilitate the admission of a new Limited Partner or General Partner, or otherwise, or on the filing of a Certificate or amended Certificate.

14.0 DEFINITIONS

All capitalized terms set out herein and not otherwise defined shall have those meanings ascribed to them in the Partnership Agreement.

SIGNED AND CERTIFIED CORRECT by the General Partner on this May 3, 2018.

ALDERBRIDGE WAY GP LTD.
as General Partner of
ALDERBRIDGE WAY LIMITED PARTNERSHIP

By: 

Authorized Signatory

This is **Exhibit "B"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia



DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



BC Company Summary

For
0989705 B.C. LTD.

Date and Time of Search: March 30, 2022 11:49 AM Pacific Time
Currency Date: November 25, 2021

ACTIVE

Incorporation Number: BC0989705
Name of Company: 0989705 B.C. LTD.
Business Number: 833158173 BC0001
Recognition Date and Time: Incorporated on December 30, 2013 01:34 PM Pacific Time
Last Annual Report Filed: December 30, 2021
In Liquidation: No
Receiver: No

COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
UEM SUNRISE (CANADA) ALDERBRIDGE LTD.	September 29, 2017
UEM SUNRISE (CANADA) TITLE COMPANY LTD.	March 06, 2014

REGISTERED OFFICE INFORMATION

Mailing Address:	Delivery Address:
20TH FLOOR, 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA	20TH FLOOR, 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA

RECORDS OFFICE INFORMATION

Mailing Address:	Delivery Address:
20TH FLOOR, 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA	20TH FLOOR, 250 HOWE STREET VANCOUVER BC V6C 3R8 CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Hanson, Samuel D.

Mailing Address:200 - 1778 WEST 2ND AVENUE
VANCOUVER BC V6J 1H6
CANADA**Delivery Address:**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC V6J 1H6
CANADA**Last Name, First Name, Middle Name:**

Ratzlaff, Jason

Mailing Address:28235 SMITH AVENUE
ABBOTSFORD BC V4X 1C7
CANADA**Delivery Address:**28235 SMITH AVENUE
ABBOTSFORD BC V4X 1C7
CANADA**Last Name, First Name, Middle Name:**

Thom, Graham

Mailing Address:SUITE 760 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H1
CANADA**Delivery Address:**SUITE 760 1040 WEST GEORGIA STREET
VANCOUVER BC V6E 4H1
CANADA

NO OFFICER INFORMATION FILED AS AT December 30, 2021.

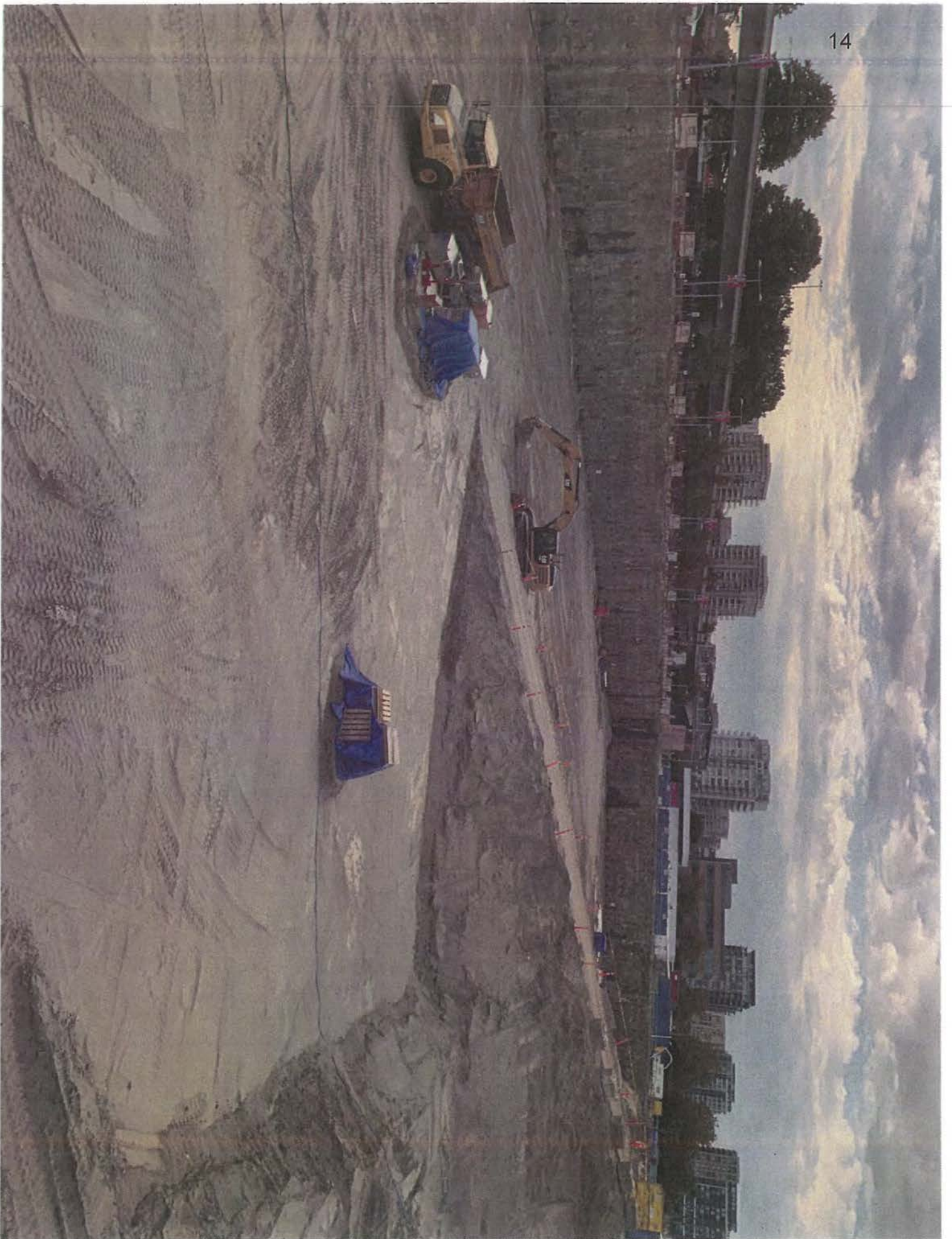
This is **Exhibit "C"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel M.

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460












This is **Exhibit "D"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

BY EMAIL

March 31, 2020

Alderbridge Way Limited Partnership
200 – 1778 West 2nd Avenue
Vancouver BC V6J 1H6
Attention: Samuel Hanson
samhanson@southstreet.ca

Gatland Capital Corporation
760-1040 West Georgia Street
Vancouver BC V6E 4H1
Attention: Graham Thom
graham@gatlandcapital.ca

Samuel Hanson and Brent Hanson
200 – 1778 West 2nd Avenue
Vancouver BC V6J 1H6
samhanson@southstreet.ca; brenthanson@southstreet.ca

Rev Holdings Ltd. and Rev Investments Inc.
28235 Smith Avenue
Abbotsford, BC V4Z 1C7
Attention: Jason Ratzlaff
jason@reinvest.ca

Dear Sirs:

Re: Loan Agreement to Amend and Restate Commitment dated November 6, 2019 (the “Loan Agreement”) among Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd., and Romspen Investment Corporation (the “Lender”) in respect of the “Atmosphere” Project

As you know, the COVID-19 global pandemic has had dramatic and rapid effects on public health policies, the economic outlook and the functioning of the financial markets. The effects rapidly change on a daily basis, particularly in the financial markets, and are unpredictable.

The Lender has not been successful in obtaining commitments from other lenders to participate in the Construction Facility under the Loan Agreement, in part as a result of the dramatic and ongoing effects on the financial markets, especially the credit markets. Therefore, the Lender cannot waive the conditions for continued funding in the Loan Agreement regarding participations in the Construction Facility. As a result, the Lender is concerned that the capital necessary to continue and complete the construction of the Project may not be available. Accordingly, the

Lender has decided to suspend all further draws and advances as permitted under the terms of the Loan Agreement.

During these unprecedented events, we want to emphasize that we are prepared to discuss with you ways to manage through the current crisis, including by continuing to look for other lenders or investors to participate in the Construction Facility. While we want to continue discussions with you, we expect it will be necessary for you to raise additional equity or look for other sources of capital as a consequence of the disruptions caused by the pandemic.

Regards,


ROMSPEN INVESTMENT CORPORATION

By:

A handwritten signature in black ink, appearing to read 'Wes Roitman', with a horizontal line extending from the end of the signature.

Wes Roitman
Managing General Partner

This is **Exhibit "E"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



February 22, 2021

VIA EMAIL & COURIER

Alderbridge Way Limited Partnership, 0989705 B.C. Ltd. and Alderbridge Way GP Ltd.
200 - 1778 West 2nd Avenue
Vancouver, BC V6J 1H6
Attention: Samuel Hanson
Email: samhanson@southstreet.ca

Gatland Development Corporation
c/o Gatland Capital Corporation
760-1040 West Georgia Street
Vancouver, BC V6E 4H1
Attention: Graham Thom
Email: graham@gatlandcapital.ca

South Street Development Managers Ltd., South Street (Alderbridge) Limited Partnership, Samuel David Hanson and Brent Taylor Hanson
200 - 1778 West 2nd Avenue
Vancouver, BC V6J 1H6
Attention: Samuel Hanson and Brent Hanson
Email: samhanson@southstreet.ca and brenthanson@southstreet.ca

REV Holdings Ltd. and REV Investments Inc.
28235 Smith Avenue
Abbotsford, BC V4Z 1C7
Attention: Jason Ratzlaff
Email: jason@reinvest.ca

Re: \$422,000,000 First Mortgage Financing, "Atmosphere", 7960 Alderbridge Way, 5333 No. 3 Road and 5411 No. 3 Road, Richmond, British Columbia legally described as PID: 030-721-733, Lot 1 Section 5 Block 4 North Range 6 West New Westminster District Plan EPP86098 (the "Property")

Dear Sirs/Mesdames:

Reference is made to our default notice to you dated February 17, 2021 (the "**Default Notice**"), a copy of which is enclosed. All terms used herein that are defined in the Default Notice and not otherwise defined herein shall have the meanings assigned to them in the Default Notice.

We hereby provide notice to you of the occurrence of an Event of Default under Section 13.01(1)(b) of the Loan Agreement as a result of the Borrower's breach of Section 8.01(1)(a) of the Loan Agreement, which requires the Borrower to pay interest computed as provided in Article 5 of the Loan Agreement monthly in arrears, and the continuance of such default for two Business Days after notice of such default was given by Romspen to the Borrower in the Default Notice.

As a result of the above-noted Event of Default, Romspen hereby notifies you of the following:

- (a) pursuant to Section 13.02 of the Loan Agreement, Romspen declares the entire principal amount of the Construction Facility currently outstanding and all accrued and unpaid interest thereon, and all other payments or amounts due under the Loan Agreement, in the amount of \$157,885,389.55 total as of February 10, 2021 pursuant to the enclosed account statement, to be immediately due and payable to Romspen (the "**Outstanding Amount**");
- (b) interest shall continue to accrue on the Outstanding Amount to the date of actual payment at the rate or rates determined as provided in the Loan Agreement;
- (c) pursuant to the Guarantees, Romspen hereby demands payment of the entire Outstanding Amount from the Guarantors;
- (d) Romspen hereby puts the Borrower and the Guarantors on notice that Romspen is entitled, pursuant to Section 13.02 of the Loan Agreement, Article 3 of each of the GSAs, Section 31 of the Mortgage and Section 5 of the Beneficial Charge, to exercise any and all rights it may have after the expiration of the time period provided for in s. 244 of the *Bankruptcy and Insolvency Act* (Canada). In furtherance of Romspen's demand, please find enclosed a Notice of Intention to Enforce Security issued to the Borrower and the Guarantors pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada); and
- (e) Romspen hereby puts the Borrower and Guarantors on notice that Romspen's action(s), including the past or present failure of Romspen to exercise any rights or remedies under the Documents or at law, shall not be a waiver of any rights or remedies of Romspen as against the Borrower or Guarantors as a result of any Event of Default or otherwise. Romspen hereby reserves and preserves all of its rights and remedies against the Borrower and Guarantors and each of them pursuant to the Documents and at law or equity, including but not limited to Romspen's legal fees and all costs of enforcement pursuant to the Documents. The Event of Default described in this correspondence does not necessarily constitute all of the Defaults or Events of Default which currently exist and the specific reference to the Event of Default herein does not constitute a waiver or implied waiver of any Defaults or Event(s) of Default which currently exist.

If we do not receive the entire Outstanding Amount within 10 days of this letter, by March 4, 2021, we reserve the right to immediately commence legal proceedings against any or all of you without further notice to recover the full amounts owing and pursue the remedies referenced above as well as any remedies otherwise available to us pursuant to the Documents or at law.

We trust you will give this matter your immediate attention.

Sincerely,

ROMSPEN INVESTMENT CORPORATION



By: _____

Name: Joel Mickelson

Title: Secretary

Encl.

This is **Exhibit "F"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia



DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

Alderbridge Way Limited Partnership
Financial Statements

December 31, 2020
(Unaudited - see Notice to Reader)

Notice To Reader

On the basis of information provided by management, we have compiled the balance sheet of Alderbridge Way Limited Partnership as at December 31, 2020 and the statement of partners' capital for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these statements may not be appropriate for their purposes.

Vancouver, British Columbia

March 31, 2021

MNP *LLP*

Chartered Professional Accountants

Alderbridge Way Limited Partnership

Balance Sheet

As at December 31, 2020

(Unaudited - see Notice to Reader)

	2020	2019
Assets		
Current		
Cash	67,783	179,940
Trust deposits	49,298,494	49,200,908
Goods and Services Tax receivable	-	30,759
Deferred management fees	3,437,989	2,070,000
	52,804,266	51,481,607
Construction in progress	298,551,888	243,068,438
	351,356,154	294,550,045
Liabilities		
Current		
Accounts payable and accrued liabilities	83,440,954	47,799,980
Other mortgages payable	60,000,000	60,000,000
Mortgages payable	199,415,200	178,250,065
	342,856,154	286,050,045
Partners' Capital	8,500,000	8,500,000
	351,356,154	294,550,045

Alderbridge Way Limited Partnership

Statement of Partners' Capital

For the year ended December 31, 2020

(Unaudited - see Notice to Reader)

	2019	2020
MNB Enterprises Inc.	1,000,000	1,000,000
R. Jay Management Ltd.	1,000,000	1,000,000
Kenneth D. Voth	250,000	250,000
Chatanooga Investments Ltd.	250,000	250,000
G. Wong Holdings Inc.	1,500,000	1,500,000
J.V. Driver Investments Inc.	3,000,000	3,000,000
Rev Investments Inc.	500,000	500,000
Gatland Development Corporation	500,000	500,000
South Street (Alderbridge) Limited Partnership	500,000	500,000
	8,500,000	8,500,000

	2018	2019
MNB Enterprises Inc.	1,000,000	1,000,000
R. Jay Management Ltd.	1,000,000	1,000,000
Kenneth D. Voth	250,000	250,000
Chatanooga Investments Ltd.	250,000	250,000
G. Wong Holdings Inc.	1,500,000	1,500,000
J.V. Driver Investments Inc.	3,000,000	3,000,000
Rev Investments Inc.	500,000	500,000
Gatland Development Corporation	500,000	500,000
South Street (Alderbridge) Limited Partnership	500,000	500,000
	8,500,000	8,500,000

This is **Exhibit "G"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

TITLE SEARCH PRINT

File Reference: 6416-572732-2

32
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

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

Title Issued Under SECTION 98 LAND TITLE ACT

Land Title District NEW WESTMINSTER
Land Title Office NEW WESTMINSTER

Title Number CA7379137
From Title Number CA7179344
CA7379103

Application Received 2019-03-05

Application Entered 2019-03-08

Registered Owner in Fee Simple
Registered Owner/Mailing Address: 0989705 B.C. LTD., INC.NO. BC0989705
200 - 1778 WEST 2ND AVENUE
VANCOUVER, BC
V6J 1H6

Taxation Authority Richmond, City of

Description of Land
Parcel Identifier: 030-721-733
Legal Description:
LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT
PLAN EPP86098

Legal Notations
HOUSING AGREEMENT NOTICE, LOCAL GOVERNMENT ACT, S. 483 SEE CA7160625

NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA7379143
FILED 2019-03-05

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL
GOVERNMENT ACT, SEE CA7408370

ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA)
FILED 10.02.1981 UNDER NO. T17084 PLAN NO. 61216

TITLE SEARCH PRINT

File Reference: 6416-572732-2

33
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Charges, Liens and Interests

Nature: UNDERSURFACE RIGHTS
 Registration Number: C15336
 Registration Date and Time: 1967-04-03 15:22
 Registered Owner: JOHN HOLT WILKINSON BRIGHOUSE
 JANE HOLT WILKINSON BRIGHOUSE
 "IN TRUST" (DF 28370)
 Remarks: INTER ALIA
 SEE C15333
 PART FORMERLY LOT A PLAN EPP87559

Nature: STATUTORY RIGHT-OF-WAY
 Registration Number: RD87600
 Registration Date and Time: 1979-02-14 11:00
 Registered Owner: TOWNSHIP OF RICHMOND
 Remarks: INTER ALIA
 PART PLAN 34097 ANCILLARY RIGHTS
 PART FORMERLY LOT A PLAN EPP87559

Nature: MORTGAGE
 Registration Number: CA6831053
 Registration Date and Time: 2018-05-30 16:23
 Registered Owner: GEC (RICHMOND) GP INC.
 INCORPORATION NO. BC1152398
 Remarks: EXTENDED BY CA7379133

Nature: OPTION TO PURCHASE
 Registration Number: CA6831054
 Registration Date and Time: 2018-05-30 16:23
 Registered Owner: GEC (RICHMOND) GP INC.
 INCORPORATION NO. BC1152398
 Remarks: EXTENDED BY CA7379134

Nature: COVENANT
 Registration Number: CA7179347
 Registration Date and Time: 2018-11-08 11:00
 Registered Owner: CITY OF RICHMOND
 Remarks: EXTENDED BY CA7379107

Nature: STATUTORY RIGHT OF WAY
 Registration Number: CA7179348
 Registration Date and Time: 2018-11-08 11:00
 Registered Owner: CITY OF RICHMOND
 Remarks: EXTENDED BY CA7379108

TITLE SEARCH PRINT

File Reference: 6416-572732-2

34
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7179349
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179347 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: PRIORITY AGREEMENT
Registration Number: CA7179350
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179348 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179351
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379110

Nature: PRIORITY AGREEMENT
Registration Number: CA7179352
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179351 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179353
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379111

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7179354
Registration Date and Time: 2018-11-08 11:00
Registered Owner: VANCOUVER AIRPORT AUTHORITY
Remarks: EXTENDED BY CA7379112

Nature: PRIORITY AGREEMENT
Registration Number: CA7179355
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179353 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

TITLE SEARCH PRINT

File Reference: 6416-572732-2

35
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7179356
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179354 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: COVENANT
Registration Number: CA7179357
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379113

Nature: PRIORITY AGREEMENT
Registration Number: CA7179358
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179357 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: COVENANT
Registration Number: CA7179359
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379114

Nature: PRIORITY AGREEMENT
Registration Number: CA7179360
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179359 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: COVENANT
Registration Number: CA7179361
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379115

Nature: PRIORITY AGREEMENT
Registration Number: CA7179362
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179361 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

TITLE SEARCH PRINT

File Reference: 6416-572732-2

36
2022-03-03, 08:01:31
Requestor: Amanda Crnogorac

Nature: COVENANT
Registration Number: CA7179363
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379116

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7179364
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379117

Nature: PRIORITY AGREEMENT
Registration Number: CA7179365
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179363 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: PRIORITY AGREEMENT
Registration Number: CA7179366
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179364 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: COVENANT
Registration Number: CA7179367
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379118

Nature: PRIORITY AGREEMENT
Registration Number: CA7179368
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179367 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053 AND
CA6831054

Nature: COVENANT
Registration Number: CA7179369
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379119

TITLE SEARCH PRINT

File Reference: 6416-572732-2

2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7179370
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179369 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179371
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379120

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7179372
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379121

Nature: PRIORITY AGREEMENT
Registration Number: CA7179373
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179371 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: PRIORITY AGREEMENT
Registration Number: CA7179374
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179372 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179375
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379122

Nature: RENT CHARGE
Registration Number: CA7179376
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379123

TITLE SEARCH PRINT

File Reference: 6416-572732-2

2022-03-03, 08:01:31
Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7179377
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179375 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: PRIORITY AGREEMENT
Registration Number: CA7179378
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179376 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179379
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379124

Nature: RENT CHARGE
Registration Number: CA7179380
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379125

Nature: PRIORITY AGREEMENT
Registration Number: CA7179381
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179379 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: PRIORITY AGREEMENT
Registration Number: CA7179382
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179380 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179383
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379126

TITLE SEARCH PRINT

File Reference: 6416-572732-2

39
2022-03-03, 08:01:31
Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7179384
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179383 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179385
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379127

Nature: PRIORITY AGREEMENT
Registration Number: CA7179386
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179385 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: COVENANT
Registration Number: CA7179387
Registration Date and Time: 2018-11-08 11:00
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379128

Nature: PRIORITY AGREEMENT
Registration Number: CA7179388
Registration Date and Time: 2018-11-08 11:00
Remarks: GRANTING CA7179387 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

Nature: RENT CHARGE
Registration Number: FB519176
Registration Date and Time: 2018-12-17 08:25
Registered Owner: CITY OF RICHMOND
Remarks: EXTENDED BY CA7379109

Nature: PRIORITY AGREEMENT
Registration Number: FB519177
Registration Date and Time: 2018-12-17 08:25
Remarks: GRANTING FB519176 PRIORITY OVER CA6336776, CA6336777, CA6817323, CA6817324, CA6831053 AND CA6831054

TITLE SEARCH PRINT

File Reference: 6416-572732-2

40
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature:	COVENANT
Registration Number:	CA7379104
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA7379105
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Nature:	COVENANT
Registration Number:	CA7379107
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Remarks:	EXTENSION OF CA7179347
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA7379108
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Remarks:	EXTENSION OF CA7179348
Nature:	RENT CHARGE
Registration Number:	CA7379109
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Remarks:	EXTENSION OF FB519176
Nature:	COVENANT
Registration Number:	CA7379110
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Remarks:	EXTENSION OF CA7179351
Nature:	COVENANT
Registration Number:	CA7379111
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	CITY OF RICHMOND
Remarks:	EXTENSION OF CA7179353
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA7379112
Registration Date and Time:	2019-03-05 13:10
Registered Owner:	VANCOUVER AIRPORT AUTHORITY
Remarks:	EXTENSION OF CA7179354

TITLE SEARCH PRINT

File Reference: 6416-572732-2

41
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: COVENANT
Registration Number: CA7379113
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179357

Nature: COVENANT
Registration Number: CA7379114
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179359

Nature: COVENANT
Registration Number: CA7379115
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179361

Nature: COVENANT
Registration Number: CA7379116
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179363

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7379117
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179364

Nature: COVENANT
Registration Number: CA7379118
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179367

Nature: COVENANT
Registration Number: CA7379119
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179369

Nature: COVENANT
Registration Number: CA7379120
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179371

TITLE SEARCH PRINT

File Reference: 6416-572732-2

42
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7379121
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179372

Nature: COVENANT
Registration Number: CA7379122
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179375

Nature: RENT CHARGE
Registration Number: CA7379123
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179376

Nature: COVENANT
Registration Number: CA7379124
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179379

Nature: RENT CHARGE
Registration Number: CA7379125
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179380

Nature: COVENANT
Registration Number: CA7379126
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179383

Nature: COVENANT
Registration Number: CA7379127
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179385

Nature: COVENANT
Registration Number: CA7379128
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND
Remarks: EXTENSION OF CA7179387

TITLE SEARCH PRINT

File Reference: 6416-572732-2

43
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: MORTGAGE
Registration Number: CA7379133
Registration Date and Time: 2019-03-05 13:10
Registered Owner: GEC (RICHMOND) GP INC.
INCORPORATION NO. BC1152398
Remarks: EXTENSION OF CA6831053

Nature: OPTION TO PURCHASE
Registration Number: CA7379134
Registration Date and Time: 2019-03-05 13:10
Registered Owner: GEC (RICHMOND) GP INC.
INCORPORATION NO. BC1152398
Remarks: EXTENSION OF CA6831054

Nature: COVENANT
Registration Number: CA7379139
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7379140
Registration Date and Time: 2019-03-05 13:10
Registered Owner: CITY OF RICHMOND

Nature: PRIORITY AGREEMENT
Registration Number: CA7379141
Registration Date and Time: 2019-03-05 13:10
Remarks: GRANTING CA7379139 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053,
CA6831054, CA7379129, CA7379130, CA7379131,
CA7379132, CA7379133 AND CA7379134

Nature: PRIORITY AGREEMENT
Registration Number: CA7379142
Registration Date and Time: 2019-03-05 13:10
Remarks: GRANTING CA7379140 PRIORITY OVER CA6336776,
CA6336777, CA6817323, CA6817324, CA6831053,
CA6831054, CA7379129, CA7379130, CA7379131,
CA7379132, CA7379133 AND CA7379134

Nature: MORTGAGE
Registration Number: CA7379144
Registration Date and Time: 2019-03-05 13:10
Registered Owner: ROMSPEN INVESTMENT CORPORATION
INCORPORATION NO. A0067154
Remarks: MODIFIED BY CA7749487
MODIFIED BY CA7884333

TITLE SEARCH PRINT

File Reference: 6416-572732-2

44
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: ASSIGNMENT OF RENTS
Registration Number: CA7379145
Registration Date and Time: 2019-03-05 13:10
Registered Owner: ROMSPEN INVESTMENT CORPORATION
INCORPORATION NO. A0067154
Remarks: MODIFIED BY CA7749488
MODIFIED BY CA7884334

Nature: MORTGAGE
Registration Number: CA7379146
Registration Date and Time: 2019-03-05 13:10
Registered Owner: 1185678 B.C. LTD.
INCORPORATION NO. BC1185678
Remarks: MODIFIED BY CA8327543

Nature: ASSIGNMENT OF RENTS
Registration Number: CA7379147
Registration Date and Time: 2019-03-05 13:10
Registered Owner: 1185678 B.C. LTD.
INCORPORATION NO. BC1185678

Nature: UNDERSURFACE AND OTHER EXC & RES
Registration Number: BB3056527
Registration Date and Time: 2019-03-08 13:14
Registered Owner: THE CROWN IN RIGHT OF BRITISH COLUMBIA
Remarks: SEE CA7379101, SECTION 50 LAND ACT
AND SECTION 35 COMMUNITY CHARTER
RIGHT OF RESUMPTION CANCELLED, SEE CA7379102
PART FORMERLY SHOWN AS PARCEL A ON PLAN EPP82052

Nature: PRIORITY AGREEMENT
Registration Number: CA7388904
Registration Date and Time: 2019-03-12 11:07
Remarks: GRANTING CA7379144 PRIORITY OVER CA7379146 AND
CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7388905
Registration Date and Time: 2019-03-12 11:07
Remarks: GRANTING CA7379145 PRIORITY OVER CA7379146 AND
CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7388906
Registration Date and Time: 2019-03-12 11:07
Remarks: GRANTING CA7379144 PRIORITY OVER CA6831053,
CA6831054, CA7379133 AND CA7379134

TITLE SEARCH PRINT

File Reference: 6416-572732-2

45
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7388907
Registration Date and Time: 2019-03-12 11:07
Remarks: GRANTING CA7379145 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: PRIORITY AGREEMENT
Registration Number: CA7566054
Registration Date and Time: 2019-06-18 11:33
Remarks: GRANTING CA7379146 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: PRIORITY AGREEMENT
Registration Number: CA7566055
Registration Date and Time: 2019-06-18 11:33
Remarks: GRANTING CA7379147 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: MODIFICATION
Registration Number: CA7749487
Registration Date and Time: 2019-09-16 12:20
Remarks: MODIFICATION OF CA7379144

Nature: MODIFICATION
Registration Number: CA7749488
Registration Date and Time: 2019-09-16 12:20
Remarks: MODIFICATION OF CA7379145

Nature: PRIORITY AGREEMENT
Registration Number: CA7750575
Registration Date and Time: 2019-09-16 15:48
Remarks: GRANTING CA7379144 AND CA7749487 PRIORITY OVER CA7379146 AND CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7750576
Registration Date and Time: 2019-09-16 15:48
Remarks: GRANTING CA7379145 AND CA7749488 PRIORITY OVER CA7379146 AND CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7750577
Registration Date and Time: 2019-09-16 15:48
Remarks: GRANTING CA7379144 AND CA7749487 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

TITLE SEARCH PRINT

File Reference: 6416-572732-2

46
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7750578
Registration Date and Time: 2019-09-16 15:48
Remarks: GRANTING CA7379145 AND CA7749488 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: COVENANT
Registration Number: CA7881334
Registration Date and Time: 2019-11-21 11:28
Registered Owner: BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

Nature: PRIORITY AGREEMENT
Registration Number: CA7881335
Registration Date and Time: 2019-11-21 11:28
Remarks: GRANTING CA7881334 PRIORITY OVER CA6831053, CA6831054, CA7179376, CA7179380, FB519176, CA7379109, CA7379123, CA7379125, CA7379133, CA7379134, CA7379144, CA7379145, CA7379146, CA7379147, CA7749487 AND CA7749488

Nature: COVENANT
Registration Number: CA7881336
Registration Date and Time: 2019-11-21 11:28
Registered Owner: CITY OF RICHMOND

Nature: PRIORITY AGREEMENT
Registration Number: CA7881337
Registration Date and Time: 2019-11-21 11:28
Remarks: GRANTING CA7881336 PRIORITY OVER CA6831053, CA6831054, CA7379133, CA7379134, CA7379144, CA7379145, CA7379146, CA7379147, CA7749487 AND CA7749488

Nature: MODIFICATION
Registration Number: CA7884333
Registration Date and Time: 2019-11-22 11:00
Remarks: MODIFICATION OF CA7379144

Nature: MODIFICATION
Registration Number: CA7884334
Registration Date and Time: 2019-11-22 11:00
Remarks: MODIFICATION OF CA7379145

TITLE SEARCH PRINT

File Reference: 6416-572732-2

47
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA7884699
Registration Date and Time: 2019-11-22 12:05
Remarks: GRANTING CA7379144 PRIORITY OVER CA7379146 AND CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7884700
Registration Date and Time: 2019-11-22 12:05
Remarks: GRANTING CA7379145 PRIORITY OVER CA7379146 AND CA7379147

Nature: PRIORITY AGREEMENT
Registration Number: CA7884701
Registration Date and Time: 2019-11-22 12:05
Remarks: GRANTING CA7379144 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: PRIORITY AGREEMENT
Registration Number: CA7884702
Registration Date and Time: 2019-11-22 12:05
Remarks: GRANTING CA7379145 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

Nature: COVENANT
Registration Number: CA8245513
Registration Date and Time: 2020-06-16 10:02
Registered Owner: CITY OF RICHMOND

Nature: PRIORITY AGREEMENT
Registration Number: CA8245514
Registration Date and Time: 2020-06-16 10:02
Remarks: GRANTING CA8245513 PRIORITY OVER CA6831053, CA6831054, CA7379133, CA7379134, CA7379144, CA7379145, CA7379146, CA7379147, CA7749487, CA7749488, CA7884333 AND CA7884334

Nature: MODIFICATION
Registration Number: CA8327543
Registration Date and Time: 2020-07-28 15:59
Remarks: MODIFICATION OF CA7379146

Nature: PRIORITY AGREEMENT
Registration Number: CA8329077
Registration Date and Time: 2020-07-29 11:02
Remarks: GRANTING CA7379146 PRIORITY OVER CA6831053, CA6831054, CA7379133 AND CA7379134

TITLE SEARCH PRINT

File Reference: 6416-572732-2

48
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: PRIORITY AGREEMENT
Registration Number: CA8329078
Registration Date and Time: 2020-07-29 11:02
Remarks: GRANTING CA7379147 PRIORITY OVER CA6831053,
CA6831054, CA7379133 AND CA7379134

Nature: PRIORITY AGREEMENT
Registration Number: CA8329079
Registration Date and Time: 2020-07-29 11:02
Remarks: GRANTING CA8327543 PRIORITY OVER CA6831053,
CA6831054, CA7379133 AND CA7379134

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8358916
Registration Date and Time: 2020-08-13 09:44
Registered Owner: GBL ARCHITECTS INC.
INCORPORATION NO. BC0781200

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8372128
Registration Date and Time: 2020-08-19 15:08
Registered Owner: RUSH CONTRACTORS GROUP INC.
INCORPORATION NO. BC1252679

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8374576
Registration Date and Time: 2020-08-20 13:06
Registered Owner: KELLER FOUNDATIONS LTD.
INCORPORATION NO. BC1169924

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8430747
Registration Date and Time: 2020-09-15 16:28
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.
INCORPORATION NO. BC1174305

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8430748
Registration Date and Time: 2020-09-15 16:28
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.
INCORPORATION NO. BC1174305

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8430749
Registration Date and Time: 2020-09-15 16:28
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.
INCORPORATION NO. BC1174305

TITLE SEARCH PRINT

File Reference: 6416-572732-2

49
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8430750
Registration Date and Time: 2020-09-15 16:28
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.
INCORPORATION NO. BC1174305

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8639513
Registration Date and Time: 2020-12-11 13:08
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8639514
Registration Date and Time: 2020-12-11 13:08
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8808803
Registration Date and Time: 2021-03-01 12:40
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8808900
Registration Date and Time: 2021-03-01 12:52
Registered Owner: METRO-CAN CONSTRUCTION (AT) LTD.

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA8990188
Registration Date and Time: 2021-05-10 09:00
Registered Owner: SHAW CABLESYSTEMS LIMITED
INCORPORATION NO. A0111495

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA9242623
Registration Date and Time: 2021-07-30 16:37
Registered Owner: KELLER FOUNDATIONS LTD.
INCORPORATION NO. BC1169924

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA9258701
Registration Date and Time: 2021-08-06 15:58
Registered Owner: GBL ARCHITECTS INC.
INCORPORATION NO. BC0781200

TITLE SEARCH PRINT

File Reference: 6416-572732-2

50
2022-03-03, 08:01:31

Requestor: Amanda Crnogorac

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA9290129
Registration Date and Time:	2021-08-19 14:13
Registered Owner:	RUSH CONTRACTORS GROUP INC. INCORPORATION NO. BC1252679

Nature:	CLAIM OF BUILDERS LIEN
Registration Number:	CA9305990
Registration Date and Time:	2021-08-26 06:00
Registered Owner:	STORM GUARD WATER TREATMENT INC.

Nature:	CLAIM OF BUILDERS LIEN
Registration Number:	CA9305991
Registration Date and Time:	2021-08-26 06:00
Registered Owner:	STORM GUARD WATER TREATMENT INC.

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA9356760
Registration Date and Time:	2021-09-14 11:51
Registered Owner:	METRO-CAN CONSTRUCTION (AT) LTD. INCORPORATION NO. BC1174305

Nature:	CLAIM OF BUILDERS LIEN
Registration Number:	WX2169278
Registration Date and Time:	2021-09-16 12:55
Registered Owner:	GLOTMAN SIMPSON CONSULTING ENGINEERS

Nature:	CLAIM OF BUILDERS LIEN
Registration Number:	WX2169384
Registration Date and Time:	2021-09-20 12:49
Registered Owner:	METRO TESTING & ENGINEERING LTD.

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

This is **Exhibit "H"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Su

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "0989705 B.C. LTD."

Search Date and Time: March 7, 2022 at 8:16:48 am Pacific time
 Account Name: DENTONS CANADA LLP
 Folio Number: 6416-572732-2

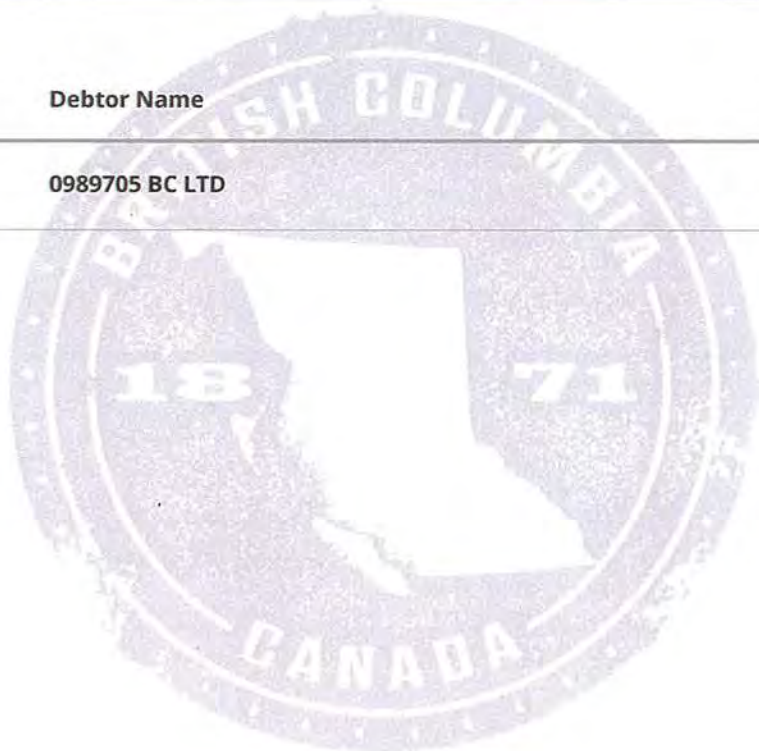
TABLE OF CONTENTS

1 Match in 1 Registration

Exact Matches: 1 (in bold)

Total Search Report Pages: 4

	Base Registration	Debtor Name	Type	Page
1	<u>349695L</u>	0989705 BC LTD	Business	<u>2</u>



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 349695L

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	March 4, 2019 at 2:02:55 pm Pacific time
Current Expiry Date and Time:	March 4, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:16:48 am Pacific time)

Secured Party Information

**ROMSPEN INVESTMENT
CORPORATION**

Address

162 CUMBERLAND ST, SUITE 300
TORONTO ON
M5R3N5 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information**0989705 BC LTD****Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**ALDERBRIDGE WAY LIMITED
PARTNERSHIP****Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY GP LTD**Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET DEVELOPMENT
MANAGERS LTD****Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET (ALDERBRIDGE)
LIMITED PARTNERSHIP****Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET (ALDERBRIDGE)
GP LTD****Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

HANSON, SAMUEL DAVID**Address**200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada**Birthdate**

March 7, 1949



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HANSON, BRENT TAYLOR

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

Birthdate

August 18, 1981

GATLAND DEVELOPMENT CORPORATION

Address

760 - 1040 WEST GEORGIA STREET
VANCOUVER BC
V6E4H1 Canada

REV HOLDINGS LTD

Address

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

REV INVESTMENTS INC

Address

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED RIGHT, TITLE AND INTEREST OF THE DEBTOR IN AND TO ALL PRESENTLY AND AFTER ACQUIRED PERSONAL PROPERTY.

Original Registering Party

BLAKE CASSELS & GRAYDON LLP ATTN: PPSA CLERK

Address

PO BOX 49314 2600 595
BURRARD
VANCOUVER BC
V7X1L3 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "ALDERBRIDGE WAY GP LTD."

Search Date and Time: March 7, 2022 at 8:17:50 am Pacific time
 Account Name: DENTONS CANADA LLP
 Folio Number: 6416-572732-2

TABLE OF CONTENTS

2 Matches in 2 Registrations

Exact Matches: 2 (in bold)

Total Search Report Pages: 6

	Base Registration	Debtor Name	Type	Page
1	<u>349695L</u>	ALDERBRIDGE WAY GP LTD	Business	<u>2</u>
2	<u>539982M</u>	ALDERBRIDGE WAY GP LTD	Business	<u>5</u>



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 349695L

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	March 4, 2019 at 2:02:55 pm Pacific time
Current Expiry Date and Time:	March 4, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:17:50 am Pacific time)

Secured Party Information

**ROMSPEN INVESTMENT
CORPORATION**

Address

162 CUMBERLAND ST, SUITE 300
TORONTO ON
M5R3N5 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

0989705 BC LTD

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY LIMITED PARTNERSHIP

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY GP LTD

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

SOUTH STREET DEVELOPMENT MANAGERS LTD

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

SOUTH STREET (ALDERBRIDGE) GP LTD

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

HANSON, SAMUEL DAVID

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

Birthdate

March 7, 1949



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HANSON, BRENT TAYLOR

Address

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

Birthdate

August 18, 1981

GATLAND DEVELOPMENT CORPORATION

Address

760 - 1040 WEST GEORGIA STREET
VANCOUVER BC
V6E4H1 Canada

REV HOLDINGS LTD

Address

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

REV INVESTMENTS INC

Address

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED RIGHT, TITLE AND INTEREST OF THE DEBTOR IN AND TO ALL PRESENTLY AND AFTER ACQUIRED PERSONAL PROPERTY.

Original Registering Party

**BLAKE CASSELS & GRAYDON
LLP ATTN: PPSA CLERK**

Address

PO BOX 49314 2600 595
BURRARD
VANCOUVER BC
V7X1L3 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 539982M

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	October 20, 2020 at 8:53:18 am Pacific time
Current Expiry Date and Time:	October 20, 2023 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:17:50 am Pacific time)

Secured Party Information

1185678 B.C. LTD

Address

60 CALDEW STREET
DELTA BC
V3M5S2 Canada

Debtor Information

ALDERBRIDGE WAY LIMITED
PARTNERSHIP

Address

1778 WEST 2ND AVENUE, STE
200
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY GP LTD

Address

1778 WEST 2ND AVENUE, STE
200
VANCOUVER BC
V6J1H6 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY SITUATE ON OR ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH OR ARISING FROM OR OUT OF OR IN CONNECTION WITH THOSE LANDS AND PREMISES, SITUATE AT 7960 ALDERBRIDGE WAY, 5333 NO. 3 ROAD AND 5411 NO. 3 ROAD, RICHMOND, BRITISH COLUMBIA AND LEGALLY DESCRIBED AS PARCEL IDENTIFIER: 030-721-733 LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP86098 (THE \LANDS\), INCLUDING WITHOUT LIMITATION, ALL OF THE RIGHT, TITLE AND INTEREST OF EACH DEBTOR IN AND TO ALL PRESENT AND AFTER- ACQUIRED (1) GOODS AND FIXTURES SITUATE ON OR ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH THE LANDS; (2) ACCOUNTS, DEBTS, DEMANDS AND ACCOUNTS DUE OR BECOMING DUE TO A DEBTOR AS AN OWNER OF THE LANDS, INCLUDING WITHOUT LIMITATION RENTS, PARKING REVENUES, ACCOUNTS RECEIVABLE AND BOOK DEBTS AND CLAIMS UNDER POLICIES OF INSURANCE AND CONTRACTS, SECURITY INTERESTS, GUARANTEES, INDEMNITIES, COVENANTS FOR PAYMENT AND OTHER RIGHTS AND BENEFITS IN RESPECT THEREOF; (3) INTANGIBLES OF EACH DEBTOR OF EVERY KIND, WHETHER NOW OR HEREAFTER DUE WHICH ARISE FROM THE OWNERSHIP BY A DEBTOR OF AN INTEREST IN THE LANDS; (4) PRESENT AND AFTER- ACQUIRED BOOKS, ACCOUNTS, FINANCIAL STATEMENTS, INVOICES, LETTERS, PAPERS, DOCUMENTS AND OTHER RECORDS IN ANY FORM WHICH ARISE FROM OR RELATE EXCLUSIVELY OR PRIMARILY TO THE OWNERSHIP BY A DEBTOR OF AN INTEREST IN THE LANDS; (5) INVESTMENT PROPERTY AND FINANCIAL ASSETS, DOCUMENTS OF TITLE, CHATTEL PAPER, AND INSTRUMENTS ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH OR ARISING FROM OR IN CONNECTION WITH THE LANDS.

Original Registering Party

**BOUGHTON LAW
CORPORATION**

Address

BOX 49290, 1000-595 BURRARD
ST
VANCOUVER BC
V7X1S8 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "ALDERBRIDGE WAY LIMITED PARTNERSHIP"

Search Date and Time: March 7, 2022 at 8:17:22 am Pacific time
 Account Name: DENTONS CANADA LLP
 Folio Number: 6416-572732-2

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3 Matches in 3 Registrations

Exact Matches: 3 (in bold)

Total Search Report Pages: 9

	Base Registration	Debtor Name	Type	Page
1	<u>349695L</u>	ALDERBRIDGE WAY LIMITED PARTNERSHIP	Business	<u>2</u>
2	<u>539982M</u>	ALDERBRIDGE WAY LIMITED PARTNERSHIP	Business	<u>5</u>
3	<u>760494M</u>	ALDERBRIDGE WAY LIMITED PARTNERSHIP	Business	<u>7</u>

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 349695L

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	March 4, 2019 at 2:02:55 pm Pacific time
Current Expiry Date and Time:	March 4, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:17:22 am Pacific time)

Secured Party Information

ROMSPEN INVESTMENT
CORPORATION

Address

162 CUMBERLAND ST, SUITE 300
TORONTO ON
M5R3N5 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information**0989705 BC LTD****Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**ALDERBRIDGE WAY LIMITED
PARTNERSHIP****Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY GP LTD**Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET DEVELOPMENT
MANAGERS LTD****Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET (ALDERBRIDGE)
LIMITED PARTNERSHIP****Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

**SOUTH STREET (ALDERBRIDGE)
GP LTD****Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

HANSON, SAMUEL DAVID**Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

Birthdate

March 7, 1949

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HANSON, BRENT TAYLOR**Address**

200 - 1778 WEST 2ND AVENUE
VANCOUVER BC
V6J1H6 Canada

Birthdate

August 18, 1981

**GATLAND DEVELOPMENT
CORPORATION****Address**

760 - 1040 WEST GEORGIA
STREET
VANCOUVER BC
V6E4H1 Canada

REV HOLDINGS LTD**Address**

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

REV INVESTMENTS INC**Address**

28235 SMITH AVENUE
ABBOTSFORD BC
V4Z1C7 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENTLY OWNED AND HEREAFTER ACQUIRED RIGHT, TITLE AND INTEREST OF THE DEBTOR IN
AND TO ALL PRESENTLY AND AFTER ACQUIRED PERSONAL PROPERTY.

Original Registering Party**BLAKE CASSELS & GRAYDON
LLP ATTN: PPSA CLERK****Address**

PO BOX 49314 2600 595
BURRARD
VANCOUVER BC
V7X1L3 Canada

Base Registration Number: 539982M

Registration Type:	PPSA SECURITY AGREEMENT
Base Registration Date and Time:	October 20, 2020 at 8:53:18 am Pacific time
Current Expiry Date and Time:	October 20, 2023 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:17:22 am Pacific time)

Secured Party Information

1185678 B.C. LTD

Address60 CALDEW STREET
DELTA BC
V3M5S2 Canada**Debtor Information**ALDERBRIDGE WAY LIMITED
PARTNERSHIP**Address**1778 WEST 2ND AVENUE, STE
200
VANCOUVER BC
V6J1H6 Canada

ALDERBRIDGE WAY GP LTD

Address1778 WEST 2ND AVENUE, STE
200
VANCOUVER BC
V6J1H6 Canada**Vehicle Collateral**

None

General Collateral

Base Registration General Collateral:

ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY SITUATE ON OR ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH OR ARISING FROM OR OUT OF OR IN CONNECTION WITH THOSE LANDS AND PREMISES, SITUATE AT 7960 ALDERBRIDGE WAY, 5333 NO. 3 ROAD AND 5411 NO. 3 ROAD, RICHMOND, BRITISH COLUMBIA AND LEGALLY DESCRIBED AS PARCEL IDENTIFIER: 030-721-733 LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP86098 (THE LANDS), INCLUDING WITHOUT LIMITATION, ALL OF THE RIGHT, TITLE AND INTEREST OF EACH DEBTOR IN AND TO ALL PRESENT AND AFTER- ACQUIRED (1) GOODS AND FIXTURES SITUATE ON OR ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH THE LANDS; (2) ACCOUNTS, DEBTS, DEMANDS AND ACCOUNTS DUE OR BECOMING DUE TO A DEBTOR AS AN OWNER OF THE LANDS, INCLUDING WITHOUT LIMITATION RENTS, PARKING REVENUES, ACCOUNTS RECEIVABLE AND BOOK DEBTS AND CLAIMS UNDER POLICIES OF INSURANCE AND CONTRACTS, SECURITY INTERESTS, GUARANTEES, INDEMNITIES, COVENANTS FOR PAYMENT AND OTHER RIGHTS AND BENEFITS IN RESPECT THEREOF; (3) INTANGIBLES OF EACH DEBTOR OF EVERY KIND, WHETHER NOW OR HEREAFTER DUE WHICH ARISE FROM THE OWNERSHIP BY A DEBTOR OF AN INTEREST IN THE LANDS; (4) PRESENT AND AFTER- ACQUIRED BOOKS, ACCOUNTS, FINANCIAL STATEMENTS, INVOICES, LETTERS, PAPERS, DOCUMENTS AND OTHER RECORDS IN ANY FORM WHICH ARISE FROM OR RELATE EXCLUSIVELY OR PRIMARILY TO THE OWNERSHIP BY A DEBTOR OF AN INTEREST IN THE LANDS; (5) INVESTMENT PROPERTY AND FINANCIAL ASSETS, DOCUMENTS OF TITLE, CHATTEL PAPER, AND INSTRUMENTS ACQUIRED, USED OR HELD EXCLUSIVELY OR PRIMARILY IN CONNECTION WITH OR ARISING FROM OR IN CONNECTION WITH THE LANDS.

Original Registering Party

**BOUGHTON LAW
CORPORATION**

Address

BOX 49290, 1000-595 BURRARD
ST
VANCOUVER BC
V7X1S8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 760494M

Registration Type: PPSA SECURITY AGREEMENT
Base Registration Date and Time: February 9, 2021 at 2:16:29 pm Pacific time
Current Expiry Date and Time: February 9, 2023 at 11:59:59 pm Pacific time
 Expiry date includes subsequent registered renewal(s)
Trust Indenture: No

CURRENT REGISTRATION INFORMATION

(as of March 7, 2022 at 8:17:22 am Pacific time)

Secured Party Information

ATCO STRUCTURES & LOGISTICS LTD. **Address**
 24639 FRASER HWY
 LANGLEY TWP BC
 V2Z2L2 Canada

Debtor Information

ALDERBRIDGE WAY LIMITED PARTNERSHIP **Address**
 #200 - 1778 W 2ND AVENUE
 VANCOUVER BC
 V6J1H6 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number	MHR Number
Manufactured or Mobile Home (MH)	2018	OFFICE 10X52 / -	152187860	NR
Manufactured or Mobile Home (MH)	2019	OFFICE 10X24 / -	124198005	NR
Manufactured or Mobile Home (MH)	2015	OFFICE 10X24 / -	124155827	NR



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

None.

Original Registering Party

**ATCO STRUCTURES & LOGISTICS
LTD.**

Address

24639 FRASER HWY
LANGLEY TWP BC
V2Z2L2 Canada



HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: February 1, 2022 at 6:10:51 am Pacific time
Registration Number: 509767N
Registration Life: 1 Year
New Expiration Date and Time: February 9, 2023 at 11:59:59 pm Pacific time

Registering Party Information

**ATCO STRUCTURES &
LOGISTICS LTD.**

Address

24639 FRASER HWY
LANGLEY TWP BC
V2Z 2L2 Canada



This is **Exhibit "I"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

Execution Copy

LOAN AGREEMENT TO AMEND AND RESTATE COMMITMENT

AMONG

**0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD. AND ALDERBRIDGE WAY LIMITED
PARTNERSHIP,
AS BORROWER**

**GATLAND DEVELOPMENT CORPORATION, REV HOLDINGS LTD., REV INVESTMENTS
INC., SOUTH STREET DEVELOPMENT MANAGERS LTD., SOUTH STREET
(ALDERBRIDGE) LIMITED PARTNERSHIP, SAMUEL DAVID HANSON AND BRENT
TAYLOR HANSON,
AS GUARANTORS**

AND

ROMSPEN INVESTMENT CORPORATION

AS LENDER

**"ATMOSPHERE",
RICHMOND, BRITISH COLUMBIA**

MADE AS OF

NOVEMBER 6, 2019

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ARTICLE 1 INTERPRETATION.....	1
1.01 Definitions.....	1
1.02 Headings	14
1.03 Number.....	14
1.04 Accounting Principles.....	14
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CREDIT AGREEMENT

THIS AGREEMENT is made as of November ____, 2019

A M O N G:

0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD. AND ALDERBRIDGE WAY LIMITED PARTNERSHIP (collectively, the "Borrower")

– and –

ROMSPEN INVESTMENT CORPORATION, (the "Lender")

– and –

GATLAND DEVELOPMENT CORPORATION, REV HOLDINGS LTD., REV INVESTMENTS INC., SOUTH STREET DEVELOPMENT MANAGERS LTD., SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERHSIP, SAMUEL DAVID HANSON AND BRENT TAYLOR HANSON

(each a "Guarantor" and together the "Guarantors")

WHEREAS the Lender, Borrower and Guarantors entered into the Prior Commitment in respect of the Existing Loan Facilities and granted the Existing Security to the Lender; and

WHEREAS, the Borrower has requested, pursuant to a letter agreement among the Lender and the Borrower dated October 11, 2019, the Credit Facilities as an amendment, extension and increase to the Existing Loan Facilities to finance the Hard Costs and Soft Costs associated with the construction and development of the Project and the Lender has agreed to provide the Credit Facilities to the Borrower on the terms and conditions herein set forth;

WHEREAS the Guarantors have agreed to provide certain guarantees in respect of the obligations of the Borrower hereunder; and

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained the parties hereto agree as follows:

**ARTICLE 1
INTERPRETATION**

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"Additional Compensation" has the meaning set out in Section 14.01.

“**Affiliate**” of any Person means any corporation directly or indirectly controlling or controlled by or under direct or indirect common control with such Person and for the purposes of this definition, “control” means the ownership of more than 50% of the Voting Shares of a corporation.

“**Agreement**” means this agreement and all amendments made hereto in accordance with the provisions hereof.

“**Amended Disclosure Statement**” means the amendments to the Disclosure Statements required to be filed with the office of the Superintendent of Real Estate pursuant to the *Real Estate Development and Marketing Act* (British Columbia) with respect to changes in the Project.

“**Applicable Laws**” means in respect of any Person, property, transaction or event, all applicable laws, statutes, ordinances, regulations, and all applicable directives, Orders, Permits, judgments, injunctions, awards and decrees of any Governmental Authority having the force of law or which are legally enforceable.

“**Appraisal**” means a report prepared by an Appraiser engaged in respect of the valuation of the Project (or part thereof) based on a mandate letter acceptable to the Lender and whose report is acceptable to the Lender.

“**Appraiser**” means an accredited Person acceptable to the Lender who has been selected to perform an Appraisal.

“**Architect**” means an accredited architect retained by the Borrower for the Project, and acceptable to the Lender.

“**Assignment of Construction Agreement**” means the assignment of the **Construction General Contract Agreement** made by the Borrower to the Lender.

“**Assignment of Parking Facility Lease**” means the assignment of the parking facility lease for the Condominium Complex made by the tenant thereunder to the Lender.

“**Assignment of Purchase Agreements and Deposits**” means the general assignment by the Borrower of its rights under any Condominium Sales Agreements and Commercial Purchase Agreement, together with the deposits thereunder, in favour of the Lender in a form acceptable to the Lender.

“**Assignments of Construction Contracts**” means, collectively, the acknowledged assignment of all Consultant Contracts and Construction Contracts made by the Borrower to the Lender in a form acceptable to the Lender.

“**Banking Day**” means a day which is not:

- (a) a Saturday or a Sunday; or
- (b) a day observed as a holiday under the laws of the Provinces of Ontario or British Columbia or the federal laws of Canada applicable therein.

“**Borrower’s Account**” means the account maintained by the Borrower at the at a financial institution approved by the Lender and designated by the Borrower from time to time as the Borrower’s Account hereunder.

“Borrower’s Counsel” means Lawson Lundell LLP or such other firm of legal counsel as the Borrower may from time to time designate.

“Borrower’s Equity” means, at any time and from time to time, the capital contributions to equity capital invested by the Borrower in the Project in the amount not less than \$126,000,000. No funds loaned to or borrowed by the Borrower from any other Person shall constitute or form part of Borrower’s Equity except for a loan from 1185678 B.C. Ltd., provided such loan is postponed and subordinated in writing to the Lender.

“Budgeted Project Costs” means the value ascribed to the Project Lands by the Appraisal and all budgeted Hard Costs and all Soft Costs described as a line item in the Project Budget, including any Contingency Amount in respect thereof, expended or to be expended to achieve Construction Completion in accordance with the Project Budget, the Plans and Specifications and the Construction Schedule.

“Canadian Dollars” and **“\$”** mean the lawful money of Canada.

“Certificate of Construction Completion” means a certificate to be issued by the Architect and confirmed to the Lender by the Independent Cost Consultant, certifying that the Construction is totally completed and all construction deficiencies remedied and that such completion is, in all material respects, in accordance with the Plans and Specifications.

“Certificate of Substantial Completion/Performance” means a certificate to be issued by the Architect and confirmed to the Lender by the Independent Cost Consultant certifying that “substantial performance” of Construction in accordance with the *Builders Lien Act* (British Columbia) has occurred.

“CIBT” means Global Education City (Richmond) Limited Partnership and its general partner GEC (Richmond) GP Inc.

“CIBT Bulk Sale” means the sale of Tower D, Tower G and 7,218 square feet of retail space below Tower G by the Borrower to CIBT pursuant to the CIBT Purchase Agreement.

“CIBT Purchase Agreement” means the purchase and sale agreement dated February 28, 2019 made by the Borrower in favour of CIBT, as amended to date, with respect to the bulk sale of areas known as Tower D, Tower G and 7,218 square feet of retail space below Tower G.

“Commercial Component” means the retail and office space described in the definition of Project, all in accordance with the Plans and Specifications.

“Commercial Purchase Agreement” means a *bona fide* arm’s length agreement of purchase and sale made by the Borrower in respect of the Commercial Component or part thereof, which agreement shall be approved by Lender and shall be unconditional save for normal closing conditions associated with such transactions in the City of Richmond.

“Condominium Complex” means the Residential Component.

“Condominium Documents” means the strata plan or plans, strata corporation by-laws (or agreements, rules or regulations relating thereto), common property/shared facility agreements or other documents relating to the creation and operation of the Condominium Complex.

“Condominium Sales Agreements” means purchase and sale agreements of the Units.

“Contractors” means the Construction General Contractor and the contractors retained by the Borrower or the Construction General Contractor for the Construction and approved by the Lender.

“Construction” means the design and construction of the Project in accordance with the Plans and Specifications.

“Construction Completion” means the date on which the last of the following shall occur: (i) Substantial Completion shall have been achieved, (ii) the Certificate of Construction Completion has been delivered to the Lender, and (iii) the Independent Cost Consultant has delivered a certificate to the Lender that the “completion” referred to in the Certificate of Construction Completion is, in all material respects, in accordance with the Plans and Specifications

“Construction Contracts” means all contracts and agreements entered into by the Borrower relating to the Construction including the Construction General Contractor Agreements and contracts and agreements relating to the supply of materials or services to or for the Project.

“Construction Facility” means the non-revolving, credit facility up to a maximum principal amount equal to the Construction Loan Commitment Amount, from time to time to be made available hereunder to the Borrower on a several basis by the Lender in accordance with the provisions hereof, subject to any reduction in accordance with the provisions hereof and provided further that the aggregate amount outstanding at any time shall not exceed the Construction Loan Commitment Amount.

“Construction General Contractor” means the general contractor approved by the Lender.

“Construction General Contractor Agreements” means the stipulated fixed price construction agreements (CCDC2 form) approved by the Lender between the Borrower and the Construction General Contractor in respect of the development and construction of the Project.

“Construction Loan Commitment Amount” means \$422,000,000 (inclusive of the amount previously advanced under the Existing Loan Facilities) as reduced from time to time in accordance with the provisions hereof.

“Construction Schedule” means the construction schedule provided to and approved by the Independent Cost Consultant, as it may be amended from time to time pursuant to the provisions of Section 11.03(r).

“Consultant Contracts” means the contracts entered into now or hereafter by the Borrower with its consultants for the Project, including the contracts listed in Schedule R.

“Contingency Amount” means with respect to the Project Budget, the amount, if any, of any contingency provided in respect of the calculation of Project Costs.

“Cost Overruns” means all Project Costs in addition to Budgeted Project Costs (which, for greater certainty, includes any Contingency Amount) which are required to be paid by the Borrower to achieve Construction Completion.

“Cost to Complete” means that amount established to the satisfaction of the Lender with the assistance of the Independent Cost Consultant, which is the aggregate of:

- (a) the amount of all Project Costs not then incurred;
- (b) the amount of all Project Costs incurred, to the extent not paid in full; and
- (c) the amount of all Project Costs incurred and paid for by the Borrower and in respect of which the Borrower intends to request a Drawdown for reimbursement;

as of such date.

“Default” means an event which, with the giving of notice, passage of time, or the making of a determination or a combination thereof, would constitute an Event of Default.

“Disclosure Statements” means the disclosure statement for Towers E and F of the Project, dated November 30, 2018, as amended by amendments dated January 4, 2019, and April 9, 2019, all of which as filed by the Borrower with the Superintendent of Real Estate, and any subsequent disclosure statements filed by the Borrower in connection with Phase 1, and **“Disclosure Statement”** means any one of the foregoing disclosure statements (including all amendments thereto), as applicable.

“Documents” means this Agreement, the Security and all certificates and other documents delivered or to be delivered to the Lender pursuant hereto or thereto and, when used in relation to any Person the term **“Documents”** shall mean and refer to the Documents executed and delivered by such Person.

“Drawdown” means a draw on the Construction Facilities permitted by the Lender;

“Drawdown Date” means the date on which a Drawdown is made by the Borrower pursuant to the provisions hereof and which shall be a Banking Day.

“Drawdown Request” means a notice substantially in the form annexed hereto as Schedule D together with the annexes thereto to be given to the Lender by the Borrower pursuant to Section 2.06.

“Environmental Indemnity Agreement” means the environmental indemnity agreement made by the Borrower and the Guarantors in favour of the Lender in a form acceptable to the Lender.

“Environmental Laws” mean all Applicable Laws pertaining to environmental or occupational health and safety matters, in effect as at the date hereof and as may be brought into effect or amended at a future date and applicable to the Borrower and/or the Project.

“Environmental Reports” means the environmental studies, investigations, reports and remediation plans in respect of the Project.

“Event of Default” has the meaning ascribed to it in Section 13.01.

“Existing Loan Facilities” means the existing loan facilities provided by Lender under the Prior Commitment, which includes the amount of \$95,850,000, advanced to the Borrower thereunder.

“Existing Security” means the charges, mortgages, security agreements, and all other instruments and documents arising under the Prior Commitment in respect of the Existing Loan Facilities.

“Existing Subordinated Debt” means the \$60,000,000 loan from 1185678 B.C. Ltd. and the \$60,000,000 loan from CIBT to the Borrower which is subordinated to the Lender by subordination agreements registered in the land title office against the Project Lands.

“Force Majeure” means any of the following events which prevents or materially impairs the construction or operation of the Project and is not caused by and is beyond the reasonable control of the Borrower: acts of God, floods, earthquakes, tidal waves, hurricanes, windstorms, severe weather conditions, lightning, fire, wars (whether declared or not), riots, insurrections, rebellions, civil commotions, sabotage, partial or entire failure of utilities, strikes, walkouts or other labour disruptions, delays in transportation, accidents, shortages of and inability to procure labour, materials and supplies (after all commercially reasonable efforts have been made by the Borrower to obtain replacement for such labour, materials and supplies) or orders, legislation, regulations and directives of any Governmental Authorities. For greater certainty, lack of funds, the state of the market for selling the Units or any wilful or negligent act or omission on the part of the Borrower does not constitute *Force Majeure*.

“Future Development Encumbrances” means the agreements and covenants entered into by the Borrower in favour of the City of Richmond and registered against the Project in priority to the Security as agreed to by the Lender.

“General Assignment of Leases and Rents” means the general assignment of leases and rents to be made by the Borrower in favour of the Lender in a form acceptable to the Lender.

“General Security Agreement” means the general security agreement in respect of all of the Borrower’s present and after acquired personal property, and a floating charge on land, given by the Borrower to the Lender in a form acceptable to the Lender.

“Geotechnical Study” means a geotechnical report in respect of the Project Lands confirming among other things that the soil conditions are satisfactory for the development and construction of the Project, together with a letter executed by said consultant confirming the Lender may rely on same.

“Governmental Authority” means any government, parliament, legislature, or commission or board of any government, parliament or legislature, or any political subdivision thereof, or any court or (without limitation to the foregoing) any other law, regulation or rule-making entity (including, without limitation, any central bank, fiscal or monetary authority or authority regulating banks) having or purporting to have jurisdiction in the relevant circumstances, or any Person acting or purporting to act under the authority of any of the foregoing (including, without limitation, any arbitrator) or any other authority charged with the administration or enforcement of Applicable Laws.

“GST” means the tax imposed pursuant to the *Excise Tax Act* (Canada), commonly known as goods and services tax or such successor tax to such tax.

“Guarantee Agreements” means the agreements to be executed and delivered by each of the Guarantors to the Lender (in a form acceptable to the Lender) wherein the Guarantors provide:

- (a) an unlimited financial guarantee and indemnity in respect of the obligations of the Borrower hereunder;
- (b) an unlimited debt service guarantee in respect of the payment of all interest and fees payable hereunder, a cost overrun guarantee in respect of Cost Overruns

relating to the Project and a project completion guarantee in respect of the completion of Construction of the Project.

“Guarantor” means each of Gatland Development Corporation, REV Holdings Ltd., REV Investments Inc., South Street Development Managers Ltd., South Street (Alderbridge) Limited Partnership, Samuel David Hanson and Brent Taylor Hanson and their respective permitted successors and assigns.

“Guarantor General Security Agreement” means the general security agreement to be given by each Guarantor to the Lender.

“Hard Costs” means amounts expended or to be expended for work, services or materials done, performed, placed or furnished in the construction of the Project.

“Holdback” means any amount required to be retained by the Borrower in respect of the value of work, services and materials actually done, performed, placed or furnished on or in the Project in accordance with the *Builders Lien Act* (British Columbia).

“Independent Cost Consultant” means BTY Group, or such other replacement consultant engaged by the Lender.

“Independent Insurance Consultant” means Proincon Limited or such other insurance consultant engaged by the Lender.

“Interest Payment Date” means the first Banking Day of each calendar month.

“Interest Period” means monthly, provided that in any case the last day of each Interest Period shall be also the first day of the next Interest Period and no Interest Period may be selected that terminates on a date after the Maturity Date.

“Interest Rate” means 10% per annum.

“Leases” means any leases, subleases, agreements or offers to lease, licences or rights of occupation granted from time to time, by or on behalf of the Borrower entitling the lessee, sublessee or grantee thereunder to use or occupy all or any part of the Project.

“Lender” means Romspen Investment Corporation as Trustee, as the original lender hereunder and any transferee, assignee or grantee of any portion of the Construction Facility in accordance with Section 16.01.

“Lender’s Branch” means the main office of the Lender at 162 Cumberland Street, Suite 300, Toronto, Ontario M5R 3N5 or such other office as the Lender may from time to time designate by notice to the Borrower and the Lender.

“Lender’ Counsel” means the firm of Blake, Cassels & Graydon LLP or such other firm of legal counsel as the Lender may from time to time designate.

“Letter of Guarantee” means any letter of guarantee issued in connection with the Project whereby any party, acting at the request of and in accordance with the instructions of the Borrower, is to make payment in accordance with the terms and conditions thereof of an amount to or to the order of a third party in Canadian Dollars.

“Lien” means any fixed or floating mortgage, charge, security interest, pledge, deed of trust, encumbrance, lien, option, tax lien, statutory lien, mechanics’ lien, construction lien, materialman’s lien or charge or encumbrance of any kind, trust agreement, deposit arrangement or any other arrangement or condition that in substance secures payment or performance of an obligation or grants an interest in all or any portion of the Project (including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of or agreement to give any fixed or floating charge over property or any right of first refusal or right of first opportunity to purchase the Project or any portion thereof).

“Major Leases” means any Lease to any Person of space in the Commercial Component in the aggregate in excess of 5,000 square feet.

“Material Adverse Effect” means any event or occurrence which, when considered individually or together with other events or occurrences, has or could reasonably be expect to have a material adverse effect on:

- (a) the business, operations, results of operations, prospects, assets, liabilities or financial conditions of the Borrower, taken as a whole;
- (b) the development and/or operation of the Project; or
- (c) the ability of the Borrower or any of the Guarantors to perform their respective obligations under the Documents.

“Material Project Agreements” means (a) the Construction General Contractor Agreements; (b) the Consultant Contracts; (c) all Construction Contracts or subcontracts which involve aggregate payments in excess of \$1,000,000; (d) the Major Leases, (e) each other operating contract having a term more than one year or which contemplates payments in excess of \$50,000 per annum, and (f) all other material development and title contracts.

“Maturity Date” means the earlier of (a) the date that is 30 months from the first advance made after the date of this Agreement, and (b) April 30, 2022.

“Minimum Discharge Amount” means in respect of any Unit, the amount set out for each Unit in Schedule P.

“Mortgage” means the fixed charge and mortgage in the principal amount of \$422,000,000 constituting a first charge on the Project Lands and assets related to the Project in favour of the Lender in a form acceptable to the Lender.

“Net Sales Proceeds” means the amount determined by subtracting from 100% of gross sales price of each Unit as approved by the Lender under this Agreement: (i) excise taxes payable thereon (if payable by the Borrower); (ii) deposit(s) monies relating to such Unit, utilized in the construction of the Project; (iii) the closing costs which consist of reasonable (as compared to the sale of a similar property) fees and expenses of the Borrower’s Counsel with respect to each such sale and the reasonable (as compared to the sale of a similar property) real estate commissions payable by the Borrower with respect to such sale; and (iv) builders lien holdbacks required under applicable laws and provided further that all such holdbacks, when released, shall be paid to Lender on behalf of the Lender.

“Notice” means any written citation, directive, Order, claim, litigation, inspection report, investigation report, complaint, proceeding or judgment from any Person including any Governmental Authority.

“Officer’s Certificate” means a certificate signed by any one of the President, an Executive Vice-President, a Vice-President, the Secretary or the Treasurer or a director of the Borrower or a Guarantor, as the case may be, on behalf of a party hereto.

“Orders” means all applicable orders, decisions, directives, declarations, decrees, injunctions, writs, judgments, rulings, awards, requests, or the like, rendered by any Governmental Authority having the force of law including, without limitation, those issued under or pursuant to any Environmental Laws.

“Participation Funding Notice” has the meaning set out in Section 2.02(2).

“Participation Success Notice” has the meaning set out in Section 2.02(2).

“Performance Bonds” means bonds issued in favour of the Borrower to further secure the obligations and performance of Contractors under Construction Contracts.

“Permits” means all permits, consents, orders, waivers, applications, authorizations, licences, certificates, approvals, registrations, franchises, rights, privileges and exemptions or the like issued or granted by any Governmental Authority, or by any other third party with respect to the Project and any Permits pertaining to Environmental Laws.

“Permitted Encumbrances” means at any time and from time to time:

- (a) undetermined or inchoate Liens incidental to construction, maintenance or operations which have not at the time been filed pursuant to law;
- (b) the Lien of Taxes and assessments for the then current year, the Lien for Taxes and assessments not at the time overdue;
- (c) cash or governmental obligations deposited in the ordinary course of business in connection with contracts, bids, tenders or to secure worker’s compensation, unemployment insurance, surety or appeal bonds, costs of litigation, when required by law, public and statutory obligations, Liens or claims incidental to current construction, mechanics’, warehousemen’s, carriers’ and other similar Liens;
- (d) security given in the ordinary course of business to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or governmental or other authority in connection with the operations of the Borrower;
- (e) easements, rights of way and servitudes which in the opinion of Lender’ Counsel will not in the aggregate materially impair the use of the land concerned for the purpose for which it is held or used by the Borrower;
- (f) title defects or irregularities which in the opinion of Lender’ Counsel are of a minor nature and in the aggregate will not materially impair the use of the property for the purposes for which it is held by the Borrower;

- (g) purchase money liens, conditional sales agreements or any other title retention mortgage, charge, hypothec, pledge, lien or other encumbrance on personal property created, issued or assumed to secure the unpaid purchase price in respect of such personal property; provided that such unpaid purchase price does not exceed \$100,000 in the aggregate;
- (h) the encumbrances against title to the Project Lands listed in Schedule J;
- (i) development, servicing and site plan agreements, undertakings, agreements made pursuant to applicable planning and development legislation, easements, covenants and licences entered or to be entered into with or made in favour of any municipal corporation, regional municipality, public or private utility relating to the Project Lands, including, for greater certainty, the Future Development Encumbrances;
- (j) the Major Leases and other Leases that have been approved by the Lender or entered into in accordance with this Agreement;
- (k) the statutory limitations set forth in the *Land Title Act* (British Columbia);
- (l) debt and security in respect of such debt which is subordinated on terms satisfactory to the Lender, due to Westmount West Services Inc., 1185678 B.C. Ltd. and CIBT;
- (m) debt and security in respect of the Existing Subordinated Debt on terms substantially as existing in the subordination agreements registered against title to the Project Lands prior to the date of this Agreement;
- (n) all municipal by-laws and regulations and other municipal land use instruments including, without limitation, official plans and zoning and building by-laws; and
- (o) the Liens constituted by the Security and such other Liens as may be consented to in writing by the Lender.

“Person” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company, limited liability company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative or Governmental Authority.

“Phase 1” means the development of the 3 level underground parkade, the 3 level retail podium, office building (Tower G), 115-unit rental building (Tower D), 38 affordable units (which will be located in Tower E), 100 residential condominium units (Tower E) and 181 residential condominium units (Tower F) as well as 6 storeys of Tower A (117 residential condominium units), Tower B (131 residential condominium units) and Tower C (140 residential condominium units), in accordance with the Plans and Specifications.

“Plans and Specifications” means the fixed set of plans and specifications pertaining to the development and construction of the Project prepared by the Architect at the direction of the Borrower, signed and sealed by the Architect and as approved by the Independent Cost Consultant and the Lender as may be amended from time to time pursuant to Section 11.03(q).

“Prior Commitment” means the commitment made among the Lender and the Borrower and Guarantors dated February 15, 2019 as amended by a supplement no. 1 dated July 25, 2019 relating to the Project Lands

“Priority Agreement” means an instrument in the form required by the grantee of a Future Development Encumbrance and acceptable to the Lender, acting reasonably.

“Project” means the Project Lands and a 7-tower mixed-use project with a retail podium and three levels of underground parkade in two stages. The saleable area totals approximately 813,741 sf and is comprised of 71,136 sf of retail space, 126,482 sf of office space, 38 affordable rental units, 115 market rate rental units and 669 residential condominium units. Phase 1 will consist of the development of the 3 level underground parkade, the 3 level retail podium, office building (Tower G), 115-unit rental building (Tower D), 38 affordable units (which will be located in Tower E), 100 residential condominium units (Tower E) and 181 residential condominium units (Tower F) as well as 6 storeys of Tower A (117 residential condominium units), Tower B (131 residential condominium units) and Tower C (140 residential condominium units) (**‘Phase 1**). Tower A, B and C will be capped off at the 6th floor which is the point where airspace parcels shall be created and registered for each tower. Tower D, Tower G, and 7,218 square feet of retail space located below Tower G have been sold to CIBT (**“CIBT Bulk Sale”**). The proceeds of the Construction Facility will be used to assist in completion of Phase 1. The Project “as complete” value is represented to be not less than \$794,000,000. The Lender currently holds a registered mortgage on the Property in the amount of \$95,850,000; all the foregoing to be constructed on or under the surface of the Project Lands in accordance with the Plans and Specifications and in accordance with the Project Budget and currently known as “Atmosphere”.

“Project Budget” means the budget of all Project Costs which has specified a line by line itemization of Project Costs, including Contingency Amounts, as prepared by the Borrower and approved by the Lender and the Independent Cost Consultant prior to the first Drawdown under the Construction Facility after the date of this Agreement, as such budget may be amended from time to time with the consent of or upon the request of the Lender pursuant to Section 11.01(j), a summary of which, showing, *inter alia*, sources and uses, is attached as Schedule K.

“Project Costs” means the value ascribed to the Project Lands of \$128,000,000 plus all Hard Costs and all Soft Costs expended or to be expended to achieve Construction Completion in accordance with the Plans and Specifications and Construction Schedule.

“Project Costs Cap Amount” means the amount of \$605,000,000 for Phase 1 and \$121,000,000 for future phases of the Project as set out in the Project Budget.

“Project Lands” or **“Property”** means the lands and premises more particularly described in Schedule A hereto.

“Project Management Agreement” means the project management agreement or general construction agreement for the provision of project management services for the Project between the Borrower and the Project Manager.

“Project Manager” means South Street Alderbridge Management Ltd. or another reputable and experienced management company approved by the Lender and providing project management services for the Project for and on behalf of the Borrower.

“Project Revenues” means all amounts received or forecast to be received by the Borrower with respect to the Project, whether before or after Substantial Completion, which would be considered

revenue in accordance with generally accepted accounting principles including, without limitation, the net proceeds of sales of Units or of the Commercial Component, and all rents and other net income derived from the Commercial Component.

“Purchaser Deposits” means deposits made by purchasers of Units under the Condominium Sales Agreements and by purchasers under the Commercial Purchase Agreement.

“Qualified Condominium Presale” means the sale of a Unit pursuant to a Condominium Sales Agreement where each of the following conditions has been satisfied:

- (a) the Condominium Sales Agreement is in the form of the Standard Form Condominium Purchase Agreement and is binding and enforceable and in full force and effect;
- (b) the period in which any right of rescission or right to claim a return of a deposit by a purchaser under such Condominium Sales Agreement and pursuant to the provisions of Applicable Laws shall have expired;
- (c) the purchase price under such Condominium Sales Agreement is not less than 100% of the values set out in Schedule P (in respect of Units for which the Borrower has entered into a Condominium Sales Agreement as of the date of this Agreement), and 95% of the values set out in Schedule O (in respect of Units for which the Borrower has not entered into a Condominium Sales Agreement as of the date of this Agreement);
- (d) the purchaser under such Condominium Sales Agreement:
 - (i) or an affiliate of such purchaser has not purchased more than three other currently sold Units listed in Schedule P and not more than one Unit for unsold Units listed in Schedule O;
 - (ii) is arm’s length and shall be obligated to pay under such Condominium Sales Agreement a deposit as follows:
 - (A) for Phase 1 Units, an amount not less than 15% of the purchase price of the Phase 1 Unit; and
- (e) the full deposit amount has been placed on deposit by the Borrower’s Counsel in a trust account maintained as approved by the Lender in accordance with this Agreement.

For the purposes of (d) above, sales to employees of the Borrower, advisors, real estate agents for the Project and any spouse or related person of any of the foregoing are not considered arm’s length. Notwithstanding the foregoing, the Borrower may enter into a maximum of four (4) Condominium Sales Agreements with non-arms length parties for no more than one Unit each and such Condominium Sales Agreements shall each be counted as a Qualified Condominium Presale if they otherwise satisfy the definition of Qualified Condominium Presale.

“Release” means a releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dispensing, disposing or dumping.

“Repayment Notice” means a notice substantially in the form annexed hereto as Schedule F to be given to the Lender by the Borrower pursuant to Section 8.04.

“Residential Component” means the residential component of Phase 1 of the Project in accordance with the Plans and Specifications.

“Security” means the security described in Section 12.01.

“Shares” means, at any time and from time to time, all of the issued and outstanding shares of any class of any corporation comprising the Borrower or the Guarantors.

“Soft Costs” means all amounts expended or to be expended in respect of the Project for consultants, architects, Taxes, surveys, construction insurance, bonding costs, legal fees, promotion of the Project, financing, interest to Substantial Completion, leasing, pre-operating costs and all other costs related to the Project, except Hard Costs and the cost of acquisition of the Project Lands.

“Standard Form Condominium Purchase Agreement” means the standard form agreement of purchase and sale to be utilized by the Borrower in respect of the sale of the Units, approved as to form by the Lender and Lender’s Counsel.

“Subordination and Standstill Agreement” means a subordination and standstill agreement granted in favour of the Lender including a subordination and postponement of the subordinate indebtedness and any security given for such indebtedness to the Security and the indebtedness secured thereby and standstill provisions with respect to the enforcement thereof in a form acceptable to the Lender.

“Substantial Completion” means the date on which the last of the following shall occur: (i) the Certificate of Substantial Performance has been delivered, (ii) the Independent Cost Consultant has delivered a certificate to the Lender certifying that substantial performance referenced in the Certificate of Substantial Performance is, in all material respects, in accordance with the Plans and Specifications, and (iii) a letter authorizing occupancy of Phase 1 of the Project as applicable has been issued by the City of Richmond or its successor.

“Tax” or **“Taxes”** means all taxes of any kind or nature whatsoever, including income taxes, capital taxes, levies, imposts, transfer taxes, stamp taxes, documentary taxes, royalties, duties, charges to taxes, value added taxes, goods and services taxes, sales taxes, business transfer taxes, excise taxes, property taxes, and all fees, deductions, compulsory loans, withholdings and restrictions or conditions resulting in a charge imposed, levied, collected, withheld or assessed by any authority of or within any jurisdiction whatsoever having power to tax, together with penalties, fines, additions to tax and interest thereon.

“Tax Indemnity Amount” has the meaning set out in Section 11.05.

“Units” means units/strata lots of the Condominium Complex, together with the common and exclusive use rights appurtenant thereto.

“Voting Shares” means shares of any class of any corporation carrying voting rights generally under all circumstances.

“Warranties” means those warranties and guarantees which are issued in connection with the Project, as contained in the Material Project Agreements, and **“Warranty”** means any one of them.

1.02 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “**this Agreement**”, “**hereof**”, “**hereunder**” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.03 Number

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders and *vice versa* and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and *vice versa*.

1.04 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be to the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable on a consolidated basis as at the date on which such calculation is made or required to be made in accordance with generally accepted accounting principles. Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement or any Document, such determination or calculation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with generally accepted accounting principles applied on a basis consistent with its past practice (and where no past practice exists, on a consistent basis).

1.05 Per Annum Calculations

Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest “per annum” or a similar expression is used, such interest shall be calculated using the nominal rate method, and not the effective rate method, of calculation and on the basis of a calendar year of 365 days or 366 days, as the case may be.

1.06 Canadian Currency

Unless otherwise stated, all references in this Agreement to dollar amounts shall be references to Canadian Currency.

1.07 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be part hereof:

- Schedule A – Legal Description of the Project Lands
- Schedule B – Lender Commitment
- Schedule C – Construction Conditions
- Schedule D – Drawdown Request

Schedule E	-	Draw Certificate
Schedule F	-	Repayment Notice
Schedule G	-	Client ID Form
Schedule H	-	EFT Authorization
Schedule I	-	Certificate of Independent Legal Advice
Schedule J	-	Specific Permitted Encumbrances
Schedule K	-	Project Budget Summary
Schedule L	-	Lender Assignment Form
Schedule M	-	Form of Subordination and Standstill Agreement
Schedule N	-	Form of Non-Disturbance Agreement
Schedule O	-	Unsold Units
Schedule P	-	Minimum Discharge Prices, Presales and Deposits
Schedule Q	-	Engagement Letter
Schedule R	-	Consultant Contracts

ARTICLE 2

THE CREDIT FACILITIES

2.01 The Credit Facilities

Subject to the terms and conditions hereof, the Lender shall make available to the Borrower the Construction Facility. The Borrower and Guarantors acknowledge and confirm that the amount of \$95,850,000 previously advanced under the Existing Loan Facilities is considered to be advanced and outstanding under this Agreement and part of the Construction Facility, reducing the available amount under the Construction Facility by an equivalent amount.

The Construction Loan Commitment Amount shall be reduced on a dollar for dollar basis for any Purchaser Deposits released to the Borrower in Phase 1 exceeding \$48,701,344. Any use of Purchaser Deposits is to be approved by the Lender prior to such release, such approval not to be unreasonably withheld or delayed. The Lender acknowledges that any deposits released to the Borrower by CIBT have already been used by the Borrower to pay Project Costs, and are not to be included in any reductions to the Construction Loan Commitment Amount.

2.02 General Principles Regarding Credit Facilities

(1) The Construction Facility is an amendment to and restatement of the Prior Commitment and Existing Loan Facilities and the terms of this Agreement shall replace the terms of the Prior Commitment. All covenants, terms and conditions of the Prior Commitment continue to the date of this Agreement and the amounts outstanding under the Prior Commitment remain due and payable under this Agreement on the terms and conditions of this Agreement. For clarity, interest continues to accrue on the amounts outstanding under the Prior Commitment from the date originally advanced to the Borrower all in accordance with the terms of this Agreement.

(2) The Lender has no obligation to fund future advances beyond the portion of the Construction Loan Commitment Amount set out in Schedule B. The Borrower hereby requests the Lender to commence seeking Persons to acquire participations in the Construction Facility sufficient to aggregate to the Construction Loan Commitment Amount and the Borrower agrees the following conditions apply:

- (a) the Lender shall have until March 31, 2020 to use its commercial reasonable efforts to seek Persons to acquire participations in the Construction Facility;

- (b) the Borrower shall provide such additional information regarding the Borrower, the Guarantors or the Project or facilitate access to the Project as the Lender may require to assist in the efforts of the Lender to seek Persons to acquire participations in the Construction Facility;
 - (c) if the Lender is successful in obtaining commitments from Persons to acquire participations in the Construction Facility sufficient to aggregate to the Construction Loan Commitment Amount, the Lender shall give written notice ("**Participation Success Notice**") to the Borrower and as of the date of the Participation Success Notice:
 - (i) the balance of the loan fee payable in Section 2.09(a) of this Agreement shall be due and payable by the Borrower to the Lender;
 - (ii) commencing on the date that is two (2) months after the Lender delivers notice to the Borrower that the Lender will commence using the participations of other Persons in funding advances under this Agreement (the date of such notice being the "**Participation Funding Notice**"), any right of the Borrower to repay the Construction Facility under Section 8.04 or otherwise, shall require not less than twelve (12) months' prior notice;
 - (d) notwithstanding any provision herein, if the Lender is not successful in obtaining commitments from Persons to acquire participations in the Construction Facility sufficient to aggregate to the Construction Loan Commitment Amount, the Borrower waives any obligation of the Lender to fund any Drawdown or to make any advance in excess of the portion of the Construction Loan Commitment Amount set out in Schedule B and agrees it shall have no claim or right to claim against the Lender for any further advances or to fund any further Drawdowns under this Agreement and the Lender shall continue to have all its rights under this Agreement and the Borrower shall continue to be bound by its obligations under this Agreement; and
- (3) Notwithstanding any provision herein, the Construction Facility shall be funded by way of periodic advances the timing and amount of which shall remain in the sole discretion of the Lender and on the terms and conditions set out herein.
- (4) The Lender may permit a repayment of the Construction Facility in part from Purchaser Deposits at its discretion and such repayment shall not permanently reduce the Construction Loan Commitment Amount, but the Lender may re-advance such repaid amount on the terms in this Agreement provided the condition set out in Section 3.03(n) is complied with.

2.03 Manner of Borrowing

The Borrower may make Drawdowns in Canadian Dollars under the Construction Facility. Drawdowns may be requested no more than once per calendar month and must be in a minimum amount of \$200,000.

2.04 Purpose

- (1) The Credit Facilities shall be used only for:
 - (a) Paying fees and transaction costs hereunder;

- (b) Continuing the financing under the Existing Loan Facilities;
- (c) Facilitating the construction of Phase 1 through advances on a cost-to-complete basis in accordance with the Project Budget and on the terms set out in this Agreement, including Schedule C hereof.

2.05 Availability

The maximum amount available at any time under the Construction Facility will be determined as follows:

(1) actual costs to date, established to the Lender's satisfaction for cost items provided in accordance with the Project Budget, less the sum of:

- (a) the Borrower's Equity (as required by the Lender from time to time as further set out in this Agreement);
- (b) unpaid Project payables, excluding those to be paid from the requested Drawdown;
- (c) any amount due in respect of the Project Lands;
- (d) interim Project revenue received; and
- (e) Purchasers' Deposits which have been released to the Borrower with the prior consent of the Lender,

must be greater than or equal to the aggregate Loans advanced to date (after giving effect to the requested Drawdown); and

(2) Cost to Complete the Project, plus the sum of:

- (a) unpaid Project payables, excluding those to be paid from the requested Drawdown;

less the sum of:

- (b) forecast interim Project revenue to be received during the construction period; and
- (c) if applicable, purchaser's deposits which are held in trust by a surety or otherwise and are to be released to the Borrower during the course of construction,

must be less than or equal to the unutilized portion of the Construction Facility (after giving effect to the requested Drawdown and any other reductions as set out in this Agreement).

2.06 Notice Periods for Drawdowns and Drawdown Restrictions

(1) The Borrower may make a Drawdown not later than 11:00 a.m. (Vancouver time) five (5) Banking Days prior to the proposed Drawdown Date.

- (2) Drawdowns may be made not more than once per month.

(3) The Borrower will bear all costs with any Drawdown held by the Lender in escrow pending release to the Borrower.

(4) The date of the last Drawdown shall be not later than March 30, 2022.

(5) A Drawdown Request must be signed by at least one officer or director on behalf of the Borrower.

2.07 Lender's Obligations

Subject to the terms and conditions of this Agreement, the Lender shall, on the Drawdown Date specified by the Borrower in a Drawdown Request, make available to the Borrower the full amount of the Drawdown as approved by the Lender under the terms hereof.

2.08 Irrevocability

A Drawdown Request given by the Borrower hereunder shall be irrevocable and shall oblige the Borrower to take the action contemplated on the date specified therein.

2.09 Transaction Fees

The Borrower shall pay to the Lender the following fees, which unless otherwise indicated, will be deducted and paid from the first Drawdown to occur after the date of this Agreement:

- (a) A loan fee of \$10,550,200, payable as follows:
 - (i) \$5,275,000, plus an additional 1.25% of the amount outstanding under the Existing Loan Facilities and the amount of the first Drawdown to occur after the date of this Agreement, which fee is earned and payable on such Drawdown Date;
 - (ii) 1.25% of the amount of each subsequent Drawdown earned and payable on each subsequent Drawdown provided that, if the Participation Success Notice under Section 2.02(2) is delivered, the full amount remaining of such loan fee that would be paid to the Lender if the Construction Facility were fully advanced to the Borrower, shall be payable to the Lender immediately and may be paid to the Lender by an advance by the Lender as a Drawdown.
- (b) Purely as an accommodation, a broker's fee of \$1,660,000, payable by the Borrower to Gatland Capital Corporation upon approval by the Lender;
- (c) An initial Drawdown Fee of \$2,000;
- (d) A Drawdown fee of \$1,000 for each subsequent Drawdown, payable on the Drawdown Date;

2.10 Standby Deposit

The Borrower agrees to pay a \$250,000 standby deposit as of the date of a letter agreement among the Borrower and the Lender which is deemed earned by and payable to the Lender and shall be added to the total amount owing under the Existing Loan Facilities and to be

credited against the loan fee payable in Section 2.09 only upon the first Drawdown to occur after the date of this Agreement provided that if such Drawdown does not occur the such standby deposit will remain payable by the Borrower.

2.11 No Obligation to Advance

The Borrower agrees that neither the preparation nor registration of any documents contemplated herein shall bind the Lender to make an advance it being agreed that any advance of the Construction Facility from time to time shall be in the sole absolute unfettered discretion of the Lender.

2.12 First Drawdown

The Lender may initiate the first Drawdown to occur after this Agreement is executed by all Parties hereto, without a Drawdown Request for such amount sufficient to pay all fees and costs due under this Agreement at such time. Subsequent Drawdowns shall be subject to the terms and conditions in this Agreement.

ARTICLE 3 CONDITIONS PRECEDENT TO DRAWDOWNS

3.01 Conditions for First Drawdown of the Construction Facility

On or before the first Drawdown the following conditions shall be satisfied by the Borrower and Guarantors, as the case may be, to the satisfaction of the Lender:

- (a) The terms and conditions of Schedule C shall have been complied with to the extent not already contemplated in this Section 3.01;
- (b) The Lender shall have received the following copies of the following:
 - (i) all contracts affecting the Project or relating thereto, including, without limitation, all Leases, and information relating to any Leases;
 - (ii) the insurance policies required hereunder and evidence of compliance with all insurance requirements hereunder;
 - (iii) all other documents required under this Agreement to be delivered prior to the first or any Drawdown;
- (c) the Lender shall have received a Drawdown Request;
- (d) each of the Borrower and the entity Guarantors shall have delivered to the Lender certified copies of its constating documents and by-laws, certificates of incorporation/formation and good standing issued by the relevant Governmental Authority, as applicable, the securities register for the Borrower, the resolutions authorizing the borrowings or the Guarantee Agreements hereunder and the incumbency of the officers of the Borrower and the Guarantors signing this Agreement and any Documents to be provided pursuant to the provisions hereof;

- (e) the Security shall have been executed by all parties thereto and delivered and all filings or recordings necessary or desirable in connection therewith shall have been made;
- (f) all Subordination and Standstill Agreements required by the Lender shall have been executed and delivered by 1185678 B.C. Ltd. and CIBT, substantially in the form attached as Schedule M, provided that in the case of the Existing Subordinated Debt such Subordination and Standstill Agreements shall be substantially in the form as existing in the forms registered against title to the Project Lands at the date of this Agreement and in respect of CIBT, including a covenant from CIBT that it will not complete on the CIBT Purchase Agreement without the prior consent of the Lender and in any event without the Credit Facilities being indefeasibly satisfied by the payment to the Lender of the sale proceeds from the CIBT Purchase Agreement, and further provided that a satisfactory Subordination and Standstill Agreement between Westmount West Services Inc. and the Lender shall be a condition precedent to subsequent advances following the first Drawdown.
- (g) no Default or Event of Default shall have occurred and be continuing;
- (h) the representations and warranties set forth in Section 10.01 and of the Guarantors as set forth in the Guarantee Agreements shall be true and accurate in all material respects;
- (i) the Lender shall have been satisfied that no event having a Material Adverse Effect has occurred;
- (j) the Lender and the Independent Cost Consultant shall have received, in each case in form and content satisfactory to them, copies of the following signed documents:
 - (i) the Construction General Contractor Agreements;
 - (ii) the Project Management Agreement;
 - (iii) a confirmation from the City of Richmond evidencing that realty Taxes levied against the Project Lands are current;
 - (iv) evidence confirming that zoning by-laws permit construction of the Project and that the development permit has been issued by the City of Richmond for the construction and development of the Project;
 - (v) the Geotechnical Study, if any;
 - (vi) the Environmental Report, together with an acknowledgement that the Lender is entitled to rely on same;
 - (vii) an insurance report from the Independent Insurance Consultant certifying that the Borrower's insurance is satisfactory and complies with this Agreement and, if amendments to the Borrower's insurance are required, copies of such amendments;

- (k) the Lender shall have received a title insurance policy for the Construction Facility issued by an insurance company acceptable to the Lender and in form and content satisfactory to the Lender and the premium of which has been paid by the Borrower.
- (l) evidence satisfactory to the Lender that the Borrower is the sole beneficial owner and developer of the Project and the Project Lands, and that all contracts and agreements relating to the Project, including the Construction Contracts and the Condominium Sales Agreements, reflect such and are in the name of the Borrower;
- (m) receipt of the Disclosure Statements and any Amended Disclosure Statements for Phase 1 and any other phase of the Project confirming that the Borrower is the sole developer and owner of the Project, that the outside date for completion of sales of Units in Towers E and F, as listed in the standard form Condominium Sales Agreement for such Units is October 1, 2024 (subject to any rights of the Borrower to extend such date) and evidence satisfactory to the Lender that the purchasers under the Condominium Sales Agreements have received the Amended Disclosure Statements and that all rescission periods under the *Real Estate Development Marketing Act* have expired, and the Condominium Sales Agreements are firm and binding;
- (n) the Lender shall be satisfied as to the current status of the Project, including construction to date, and the current status of the Project Budget;
- (o) a satisfactory site inspection of the Project by the Lender has occurred and a satisfactory interview with the principals of the Borrower or any entity Guarantor has occurred.
- (p) evidence that the Borrower has complied with all statutory requirement for deduction at source and remittance to applicable fiscal authorities, including without limitation, those under the *Income Tax Act (Canada)*, the *Excise Tax Act (Canada)*, the *Canada Pension Plan Act (Canada)* or the *Employment Insurance Act (Canada)*;
- (q) approval by Lender of a fixed-price Construction General Contractor Agreement with a reputable and bondable Construction General Contractor for Phase 1. The Construction General Contractor shall provide a payment and performance bond for a minimum of 50% of the contract value with the performance bond confirming the Lender as a beneficiary in the event of a default. The contract shall have not greater than 20% cash allowances in the contract price, and shall contain a provision that any government imposed Taxes or levies shall be shared equally between the Construction General Contractor and the Borrower. Lender is to be provided with details of accepted contractors of all major trades including, but not limited to, concrete, forming, steel, drywall, HVAC, masonry, electrical, plumbing, roofing and windows, and the Independent Cost Consultant will have provided its confirmation of the foregoing and advised the Lender of any risk issues with the Construction General Contractor Agreement or agreements with subcontractors, or be otherwise satisfied with the progress of negotiation of those agreements;
- (r) evidence that the Project is registered with an approved home warranty program, acceptable to the Lender;

- (s) the corporate and partnership opinion of Borrower's Counsel or other solicitors approved by the Lender, acting reasonably, with respect to the Borrower and the Guarantors and the Documents substantially in a form acceptable to the Lender shall have been delivered to the Persons to which it is addressed;
- (t) the Lender shall have received satisfactory financial statements or personal net worth statements from the Borrower and the Guarantors;
- (u) the Lender shall have received a sub-search from Lender's Counsel confirming that no Liens have been registered against title to the Project Lands on the date of the Drawdown, other than Permitted Encumbrances;
- (v) the Lender shall have received evidence that all preconditions to the issuance of a Building Permit (as defined in the *Real Estate Development Marketing Act* (British Columbia) and regulations thereto) for the construction of Phase 1, save and except for payment of costs, fees, charges, or payments due to the City of Richmond in connection with the issuance of such Building Permit (as further set out in the Project Budget) have been satisfied, provided the Borrower shall pursue the issuance of a Building Permit for the balance of the Project following the first Drawdown;
- (w) after giving effect to the proposed Drawdown, the Cost to Complete shall not exceed the undrawn portion of the Construction Loan Commitment Amount;
- (x) the Independent Cost Consultant and the Lender shall have been satisfied as to:
 - (i) the Project Budget, including that the Project Costs will not exceed the Project Costs Cap Amount;
 - (ii) the Plans and Specifications; and
 - (iii) the proposed schedule of the Project; and
 - (iv) the adherence to the cash flow projections for the Project delivered to the Independent Cost Consultant and the Lender;
- (y) the Lender or the Independent Cost Consultant, as the case may be, shall have received, in each case in form and content satisfactory to it, copies of the following documents:
 - (i) a report from the Independent Cost Consultant confirming that the Project can be completed in accordance with the Construction Schedule and the Project Budget and that the Borrower has contributed sufficient Borrower's Equity to the Project which, together with the Construction Loan Commitment Amount shall be sufficient to complete the Project;
 - (ii) an acknowledgement from the Architect that the Lender, the Lender and Independent Cost Consultant will be relying on the reports and certificates provided by the Architect and that they are entitled to do so;
 - (iii) Performance Bonds as recommended by the Independent Cost Consultant, to the satisfaction of the Lender, in respect of Construction

Contracts based on the Independent Cost Consultant's opinion of the ability of the Contractor(s) thereunder to perform its obligations under such Construction Contract(s) within the time frame thereunder and to the standards therein, with the Construction Contracts for the subtrades for Phase 1 and the material Construction Contracts for Phase 1 being bonded to a level acceptable to the Lender and evidence that the Lender has been named as co-obligee/beneficiary of all labour and material and other performance bonds;

- (iv) Appraisals confirming, at a minimum, all of the following:
 - (A) that the "as is" value of the Project Lands, undeveloped, is not less than \$128,000,000;
 - (B) that the "as completed" value of the Project is not less than \$795,000,000 (excluding GST);
 - (C) the feasibility of the Project, and that the estimated construction and sell-out period and lease-up period of the Project are reasonable and reflect current market prices for condominium units of similar size and quality within the vicinity of the Project, and that the rental rates in respect of the Leases relating to the Commercial Component are reasonable and do not represent "over market" rental rates for rental space of similar quality within the vicinity of the Project;

together with an acknowledgement from the Appraiser that the Lender and the Independent Cost Consultant will be relying on the Appraisal and are entitled to do so;

- (v) report from the Project structural engineer on the status of any issues, including exposure and weathering, of the Project's parkade structure;
- (vi) copies of all Leases relating to the Commercial Component;
- (vii) the Standard Form Condominium Purchase Agreement;
- (viii) copies of all of the signed Condominium Sales Agreements and evidence, as confirmed by the Lender's Counsel or Independent Cost Consultant, of binding and enforceable Condominium Sales Agreements for not less than 175,034 square feet of Phase 1 Units for a total of not less than \$172,595,000 of net sale proceeds and non-refundable deposits of not less than \$29,983,000, of which \$16,800,000 has been deposited in trust accounts in accordance with this Agreement, all as set forth in Schedule P attached hereto, together with confirmation from the Borrower's Counsel that the period in which any right of rescission or right to claim a return of a deposit by the purchaser shall have expired. All such Condominium Sales Agreement will be verified by the Independent Cost Consultant;
- (ix) evidence that all deposits have been received in the amounts set forth in Schedule P so as to qualify as a Qualified Condominium Presale;

- (x) satisfactory verification by Lender and/or the Independent Cost Consultant of firm and binding pre-sales, on terms acceptable to Lender, to arms-length qualified third party purchasers of at least 59,413 square feet of retail space (not including retail space under contract with CIBT), said sales to generate a minimum of \$76,105,000 in net proceeds. Lender shall be provided with evidence with respect to such sales of contracted deposits of at least \$18,716,000 of which at least \$6,781,000 has been received. All pre-sales are to be verified by the Independent Cost Consultant or another Person engaged by Lender;
- (xi) an update to Schedule P showing details of all Condominium Sales Agreements (including prices and deposits) which have been documented since the date of the previous Drawdown or report from the Borrower.

Any changes to the list set forth in Schedule P, other than sales of unsold Units, will require the consent of the Lender.

- (z) the Lender shall have received certification from the Borrower:
 - (i) certifying the amount of Soft Costs incurred on the Project to date on a line by line basis;
 - (ii) certifying the payments that have been made and confirming that all Contractors have been paid to date and there are no payables that may be subject to a builders' lien;
 - (iii) estimating the Cost to Complete on a line by line basis;
 - (iv) certifying as to such other information, and accompanied by such back-up material, as the Lender may reasonably request from time to time;
- (aa) the Lender shall have received a report/certificate signed by the Architect:
 - (i) certifying that all Construction to date has been completed in accordance with the Plans and Specifications; and
 - (ii) certifying Hard Costs incurred to date on the Project on a line by line basis;
- (bb) the Lender shall have received a report/certificate signed by the Independent Cost Consultant:
 - (i) certifying Hard Costs and Soft Costs incurred to date on the Project on a line by line basis;
 - (ii) estimating the Cost to Complete;
 - (iii) confirming the amount of Borrower's Equity;
 - (iv) confirming the amount of the applicable Holdback, and

- (v) confirming that, in its opinion, the conditions set out herein with respect to the entitlement to a Drawdown for payment of Hard Costs and Soft Costs have been satisfied;
- (cc) the Lender or the Independent Cost Consultant, as the case may be, shall have received evidence satisfactory to the Lender confirming that any Cost Overruns that have been incurred on the Project have been funded in their entirety by Borrower's Equity;
- (dd) the Borrower shall have established all bank accounts relating to the Project and for all Purchasers' Deposits;
- (ee) the Lender shall have received evidence satisfactory to it that the Borrower has established a bank account in respect of Holdbacks and has paid into such Holdback account all Holdbacks with respect to the work completed to date;
- (ff) the Lender shall have received a copy of and approved any Amended Disclosure Statement as filed with the British Columbia Superintendent of Real Estate together with evidence confirming compliance with the requirements set out in Section 11.01(bb);
- (gg) the Lender shall be satisfied that:
 - (i) Borrower's Equity of not less than \$126,000,000 has been injected into the Project;
- (hh) all fees due and payable pursuant to Sections 2.10, 5.03 and 15.01 shall have been paid (or shall be paid from the Drawdown made hereunder);
- (ii) the Lender shall have received such documentation as it may require or request from any Person in connection with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder including, without limitation, a completed Agent Examination of Identification for each Borrower and Guarantor if required, in the form set out in Schedule G hereto;
- (jj) If any Guarantor is other than shareholder, beneficial owner, director, officer or controlling mind of the Borrower, or if at the Lender's sole determination, undue influence could be brought to bear upon such Guarantor by the Borrower or any other Guarantor or beneficial owner, any such Guarantor must obtain independent legal advice and deliver to the Lender a certificate of independent legal advice in a form acceptable to Lender which may be in the form set out in Schedule I hereto;
- (kk) notwithstanding anything contained herein, no advance shall be made by the Lender until such time as the Lender is in receipt of, and has reviewed, all due diligence material requested; and
- (ll) notwithstanding anything contained herein, no advance shall be made by the Lender until the Lender is advised by Lender's Counsel that, having regard to all the circumstances, such advance should be made.

3.02 First Drawdown

- (a) All terms and conditions and all conditions precedent must be approved (or waived) by the Lender and the first Drawdown under the Construction Facility must be made by November 15, 2019.

3.03 Subsequent Drawdowns under the Construction Facility

On or before each Drawdown under the Construction Facility subsequent to the first Drawdown to occur after the date of this Agreement, the following conditions shall be satisfied by the Borrower:

- (a) in respect of any Drawdown after March 31, 2020, the Lender shall be satisfied that in the aggregate, participation of other Persons committed to acquire participations (as set out in Sections 2.02(2) and 16.02) is sufficient to provide for the full amount of the Construction Loan Commitment Amount provided that the Lender may choose to waive this request with respect to any one Drawdown without waiving the request for subsequent Drawdowns;
- (b) the Lender shall have received a proper Drawdown Request and an updated Schedule P;
- (c) the Borrower shall have complied with all the terms and conditions of Schedule C hereto to the extent to the extent not already contemplated in this Section 3.03;
- (d) the conditions and deliveries set out in Section 3.01 shall be satisfied or delivered;
- (e) satisfactory evidence to the Lender that all post-closing conditions and undertakings of the Borrower given to satisfy the Lender on the first Drawdown have been complied with or fulfilled;
- (f) the Lender shall have received a sub-search from Lender' Counsel confirming that no Liens or other encumbrances have been registered since the date of the prior Drawdown other than Permitted Encumbrances;
- (g) the Lender shall have received evidence that all Permits necessary for Construction which relate to: (i) Construction in respect of which the Drawdown is being made, and (ii) all prior Construction, are in place at the time of the Drawdown;
- (h) if any new Material Project Agreements have been entered into since the previous draw, notice of such contracts shall have been given to the Lender and an assignment of such Material Project Agreement, in a form satisfactory to the Lender, shall have been delivered to the Lender with respect to same;
- (i) after giving effect to the proposed Drawdown, the aggregate of all advances under the Construction Facility shall not exceed the Construction Loan Commitment Amount;
- (j) after giving effect to the proposed Drawdown, the Cost to Complete shall not exceed the undrawn portion of the Construction Facility;

- (k) the Borrower has confirmed that all amounts to be retained by the Borrower in respect of Holdbacks have been paid by the Borrower into the Holdback account;
- (l) the Lender shall have received the reports set out in Section 11.01(i) as required for the period between the prior Drawdown and the anticipated Drawdown Date;
- (m) all fees due and payable pursuant to Section 2.10 shall have been paid; and
- (n) the Lender is satisfied in its sole discretion, that the Borrower will have access to and use of the Purchaser Deposits (including without limitation any deposits added after the date of this Agreement) on terms acceptable to the Lender for the purpose of assisting in the funding of the construction of the Project and the Lender shall have received written confirmation from Westmount West Services Inc. that it will fund the release of such deposits and the Lender shall have received an irrevocable direction from the Borrower, acknowledged by Westmount West Services Inc. that any amounts obtained by the Borrower representing such deposits shall be paid directly to the Lender.

3.04 Equity Increases

In the event the Lender, acting reasonably, has determined the Project is then behind its completion schedule by more than two months, or should the costs incurred in the construction of the Project to date, be over the Project Budget as identified by the Lender or the Independent Cost Consultant, the Lender may require Borrower to invest equalizing equity in the Project, including by further contingency funds, in an amount satisfactory to the Lender as a condition to any further advance being made, with such equity investment coming from the Borrower's own resources and not from any debt or other financing arrangements other than with Lender's prior approval, the Existing Subordinated Debt provided any increase to Existing Subordinated Debt is also subordinated to the Loan and the Security on the same terms.

3.05 Conditions and Waiver

The conditions set forth in Sections 3.01, 3.02 and 3.03 are inserted for the sole benefit of the Lender and if any of such conditions are not fulfilled by the Borrower the Lender may refuse to make any advance and terminate its obligations hereunder or any of such conditions may be waived by the Lender, in whole or in part (with or without terms or conditions), in respect of any Drawdown without prejudicing the right of the Lender at any time to assert such conditions in respect of any subsequent Drawdown.

ARTICLE 4 EVIDENCE OF DRAWDOWNS

4.01 Account of Record

The Lender shall open and maintain books of account evidencing the Construction Facility and all other amounts owing by the Borrower to the Lender hereunder. The Lender shall enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrower hereunder. The information entered in the foregoing accounts shall constitute *prima facie* evidence of the obligations of the Borrower to the Lender hereunder and shall be deemed correct absent manifest error. After a request by the Borrower, the Lender shall promptly advise the Borrower of such entries made in the Lender's books of account.

4.02 Date of Drawdowns

(1) With respect to any Drawdown under the Construction Facility, funds shall be deemed advanced on the earlier of:

- (i) the date that the funds are removed from the Lender's account and designated to the Borrower's account or as the Borrower may direct, and
- (ii) the date upon which the Borrower or its authorized representative has requested the funds to be advanced.

ARTICLE 5
PAYMENTS OF INTEREST AND FEES

5.01 Interest to the Lender

The Borrower shall pay interest on the Construction Facility (which, for certainty, includes the amount of the Existing Loan Facilities) during each Interest Period applicable thereto in Canadian Dollars at a rate per annum equal to the Interest Rate. Such interest shall be payable in arrears on each Interest Payment Date for the period from and including the Drawdown Date to and including the day preceding such Interest Payment Date, and shall be calculated on the principal amount of the Construction Facility outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be.

5.02 No Deduction, etc.

All interest payments to be made hereunder shall be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment thereof, and interest shall accrue on overdue interest, if any.

5.03 Drawdown Fee

The Borrower shall pay to the Lender a Drawdown fee of \$1,000 for each Drawdown.

5.04 Discharge Fee

The Borrower shall pay to the Lender a discharge fee of \$100 per Unit, regardless of the number of Units contained in any release document.

5.05 Document Fee

The Borrower shall pay Lender a document execution fee of \$250 for each Land Title Office document, other than releases.

5.06 Insurance Fee

The Borrower shall pay an insurance risk management fee of \$1,500 (plus disbursement and taxes, if applicable), payable to the Lender's Insurance Consultant on the first Drawdown to occur after the date of this Agreement.

5.07 Other Fees

In addition to the fees in Section 2.09 and this Article 5, the Borrower agrees to pay all costs, fees and expenses in connection with the Loan, including, without limitation:

- (a) legal, engineering, environmental assessment, appraisal, credit information, inspection, architectural, project monitoring, cost consulting, survey and all other professional and advisory costs incurred by the Lender;
- (b) registration, recording and filing fees and taxes related to registration of any Security or notices;
- (c) all fees, costs, charges and expenses in connection with that syndication or participation in the Loan by other lenders and administration by the Lender.

Such fees and costs may be deducted from a Drawdown.

5.08 Fees Not Refundable

Each of the fees set forth in Sections 5.03 through 5.06 shall be deemed fully earned and are not refundable for any reason.

**ARTICLE 6
DELETED**

**ARTICLE 7
DELETED**

**ARTICLE 8
REPAYMENT**

8.01 Mandatory Repayments and Reductions

- (1) The Loans under the Construction Facility shall be repaid as follows:
 - (a) Interest computed as provided in Article 5 shall be payable monthly in arrears on the same day of each and every month throughout the Loan Term.

(2) Subject to the Lender's right to accelerate upon the occurrence of an Event of Default, the outstanding principal amount of the Construction Facility, together with interest and all other amounts due and owing by the Borrower to the Lender under this Agreement and the Security are due and payable on the Maturity Date.

(3) Any amounts received by the Borrower or for its account pursuant to the provisions of Sections 12.06 and/or 12.04 or otherwise, shall be applied firstly to permanently reduce the outstanding Construction Facility in accordance with the provisions of Section 12.06, and, upon receipt, all such payments shall reduce the Construction Loan Commitment Amount.

8.02 Method of Payment of Monthly Instalments

The Borrower shall remit payments by automatic debit service, by submitting the Authorization Form attached hereto as Schedule H.

The Borrower acknowledges and agrees that the Lender shall retain from each Drawdown, for its benefit, an amount it reasonably determines to be sufficient to pay the interest accrued on the outstanding principal amount (as set out in this Article 8) (for the purposes of this Section, the aggregate amount of such interest, which amount will be included in the Project Budget, is the "Interest Reserve"). Interest accrued on the Construction Facility may be deducted from the Interest Reserve and be paid when due, whether or not on a Drawdown Date, without the necessity of any instruction or request from the Borrower. In the event that the Interest Reserve is exhausted, or is insufficient to pay any amount due for interest payments, the Lender shall so advise the Borrower, and the Borrower shall make such payments from its own funds. Depletion of the Interest Reserve or the inability of the Interest Reserve to fully fund any interest payment shall not release the Borrower from any of Borrower's obligations herein, including but not limited to the obligation to pay interest accruing on the Construction Facility. So long as any Default or Event of Default herein has occurred and is continuing, all interest payments shall be made by the Borrower using its own funds; provided that the Lender, at its option, and in its sole discretion, may make disbursements from the Interest Reserve notwithstanding such Default or Event of Default.

Use of the Interest Reserve shall in no way waive or otherwise modify any of the Borrower's obligations hereunder, including, without limitation, the obligation to make monthly interest payments.

8.03 Condition upon Maturity

In the event that the Borrower fails to pay all amounts outstanding on the Maturity Date or any extension thereof agreed to by the Lender, the Lender may, in its sole discretion, extend the Maturity Date for a period of one (1) month from the original Maturity Date (or any extension agreed to by the Lender), at an interest rate equal to the Interest Rate. If the Lender does so elect to extend the term for one month, and the Construction Facility has not been repaid or a further extension has not been finalized within this one (1) month period, then there will be no further extensions and the Lender may exercise its remedies under the Security.

All other terms of the Mortgage and Security shall continue to apply to the Construction Facility as extended.

The amount outstanding may be paid in full at any time during the one (1) month extension period without notice, bonus or penalty, other than payment of the Extension Fee and any applicable discharge fees as set out in this Agreement.

An extension fee ("**Extension Fee**") equal to the greater of \$5,000 or 1.00% of the outstanding balance shall be added to the principal balance of the Construction Facility if the Lender elects to extend the Maturity Date under this Section.

8.04 Optional Prepayment of Principal

Provided there exists no Default or Event of Default, the Borrower may at any time and from time to time prepay the whole of the Construction Facility together with accrued interest thereon to the date of such prepayment, and any fees, costs or expenses owing hereunder. In respect of such a prepayment:

- (a) from the date of initial advance until the date that is two (2) months after the Lender has delivered the Participation Funding Notice and notwithstanding whether or not the Participation Success Notice has been delivered, the Borrower shall give a

Repayment Notice to the Lender at least two (2) months' prior to the prepayment date

- (b) if the Lender has delivered the Participation Funding Notice to the Borrower, then from and after the date that is two (2) months after the Participation Funding Notice is delivered to the Borrower, the Borrower shall give a Repayment Notice to the Lender at least twelve (12) months' prior to the prepayment date; and
- (c) the prepayment shall be accompanied by a payment of one (1) month's interest in addition to all other amounts owing by the Borrower.

ARTICLE 9

PLACE AND APPLICATION OF PAYMENTS

9.01 Place of Payment of Principal, Interest and Fees

All payments of principal, interest, fees and other amounts to be made by the Borrower to the Lender pursuant to this Agreement shall be made in Canadian Dollars by 11:00 a.m. Vancouver, B.C., for value on the day such amount is due and if such day is not a Banking Day on the Banking Day next following, by automatic debit, wire or transfer thereof to the account of the Lender and designated by the Lender for such purpose, or at such other place as the Borrower and the Lender may from time to time agree.

9.02 Funds

Each amount advanced, disbursed or paid hereunder shall be advanced, disbursed or paid, as the case may be, in such form of funds as may from time to time be customarily used for Canadian Dollars by the Lender in the settlement of banking transactions similar to the banking transactions required to give effect to the provisions of this Agreement on the day such advance, disbursement or payment is to be made.

9.03 Application of Payments After Default

If any Event of Default shall occur and be continuing, all payments made by the Borrower hereunder shall be applied in the following order:

- (a) to amounts due hereunder as fees;
- (b) to amounts due hereunder as costs and expenses;
- (c) to amounts due hereunder as interest;
- (d) to amounts due hereunder as principal.

ARTICLE 10

REPRESENTATIONS AND WARRANTIES

10.01 Representations and Warranties

Each of the Borrower and Guarantors represent and warrant as follows (as applicable) to the Lender and acknowledge and confirm that the Lender is relying upon such representations and warranties and that the request for and use of proceeds of any Drawdown by the Borrower

will constitute an affirmation or re-affirmation by each of the Borrower and Guarantors of the representations and warranties herein and in the Security as of the date of such Drawdown Request:

(a) Corporate Status

Each entity Borrower or Guarantor is an entity duly formed and validly existing under the laws of its jurisdiction of formation and it has all necessary entity power and authority to own its respective interest in the Project.Lands and to develop and complete the Project and each is duly licensed, registered or qualified to carry out such activities.

(b) Authority

It has full power and authority to enter into the Documents to which it is a party and to do all acts and execute and deliver all other documents as are required hereunder or thereunder to be done, observed or performed by it in accordance with their terms.

(c) Valid Authorization

It has taken all necessary entity action to authorize the creation, execution, delivery and performance of the Documents to which it is a party and to observe and perform the provisions of each in accordance with its terms.

(d) Validity of Documents and Enforceability

This Agreement constitutes and, when executed and delivered, each of the other Documents to which it is a party will constitute valid and legally binding obligations of it enforceable against it in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that specific performance is an equitable remedy available only in the discretion of the court. Neither the execution and delivery of this Agreement or any Document, nor compliance with the terms and conditions of any of them, (i) has resulted or will result in a violation of: (a) its memorandum or its articles, partnership agreement, or by-laws or any resolutions passed by its board of directors, general partner or limited partners, or shareholders, or (b) any Applicable Law; (ii) has resulted or will result in a breach of, or constitute a default under, any loan agreement, indenture, trust deed or any other agreement or instrument to which it is a party or by which it is bound; or (iii) requires any approval or consent of any Governmental Authority except such as has already been obtained or except with respect to obtaining those Permits not required or obtainable until a later stage of Construction or until Substantial Completion.

(e) Consents

The Borrower and Guarantors possess all consents, approvals, permits and authorizations under any applicable law which are necessary in connection with the operation of their respective businesses. All such consents, approvals, permits and authorizations are in full force and effect and none of the Borrower or Guarantors is in default in any respect thereunder which default would have a

Material Adverse Effect. No action exists, is pending or threatened which has as its object the revocation, amendment or qualification of any such consent or authorization and all applicable appeal periods in respect of such actions have expired

(f) Title to Property

The Borrower holds:

- (i) registered and beneficial title to the Project Lands; and
- (ii) any other real and personal property of any nature which is part of the Project;

free and clear of all Liens, except Permitted Encumbrances, and the Borrower is the sole legal and beneficial owner of the Project, including for greater certainty the Project Lands and any other real and personal property of any nature which is part of the Project, free and clear of all Liens, except Permitted Encumbrances.

(g) Non-Default

No Default or Event of Default has occurred or is continuing. Neither the Borrower nor Guarantors is in default in any respect under any material indenture, mortgage, deed of trust, agreement or other instrument to which they are a party or by which they or any of their property may be bound and which default would have a Material Adverse Effect on their property or their prospects.

(h) Taxes

The Borrower and each Guarantor have filed all tax returns which are required to be filed by each of them and has paid or remitted when due all taxes, assessment and government charges imposed upon them which if unpaid could result in any charge or other encumbrance on their properties except such tax, assessment or charge which is being contested in good faith and for which the applicable Borrower or Guarantor has made adequate reserves.

(i) Absence of Litigation

There are no actions, suits or proceedings pending against it or, to its knowledge, threatened against or affecting it or any of its undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority in respect of which there is a reasonable possibility of a determination adverse to it and which would, if determined adversely be likely to have a Material Adverse Effect.

(j) Perfection of Security

Except for the due and timely filing and recording of the Security, or notice thereof, no further action is necessary on the part of the Borrower in order to establish, preserve, protect and perfect the Liens created or intended to be created by the Security, subject to Permitted Encumbrances and subject to availability of

equitable remedies and laws of general application affecting the enforcement of creditors' rights, and the Security is enforceable as such against all other Persons.

(k) Information to Lender

The factual information supplied to the Lender, Lender's Counsel or the Independent Cost Consultant by it in respect of the Project is true and correct in all material respects as of the date hereof and all projections supplied by it are reasonable and attainable in light of the assumptions on which they are based, and no material change has occurred since the date on which such information or projections were provided which would render such information or projection, as the case may be, misleading at the date hereof. The Borrower has not omitted to disclose to the Lender a material matter relating to the Project, or its business of which it is aware after due inquiry.

(l) Agreements

The Borrower is not a party to any agreement or instrument or subject to any restriction which would likely have a Material Adverse Effect. The Borrower is not in default in the performance, observance or fulfilment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party which would likely have a Material Adverse Effect.

(m) Material Project Agreements and No Default Thereunder

As at the date hereof, each Material Project Agreement is in full force and effect and no notice or claim of a default or breach thereunder, or of the occurrence of any condition entitling any party to terminate its obligations thereunder, has been delivered to the Borrower. At the date hereof, no default or event which with the passing of time and/or giving of notice and/or a determination being made under the relevant provision would constitute an event of default on the part of the Borrower exists under any Material Project Agreement. To the best of the Borrower's knowledge after due inquiry, no default or event which with the passing of time and/or giving of notice and/or a determination being made under the relevant provision would constitute an event of default on the part of any of the other contracting parties to the Material Project Agreements exists under any Material Project Agreements.

(n) Order and Notices

There are no outstanding Orders or Notices issued or, to the best of the knowledge of the Borrower, threatened by any Governmental Authority or Person which would likely have a Material Adverse Effect and there are no matters under discussion with any such authorities relating to such Orders or Notices.

(o) Permits

All material Permits from third parties and Governmental Authorities have been obtained other than those Permits not required or able to be obtained until a later stage of Construction or until Substantial Completion and those not obtained may be reasonably expected to be received in the ordinary course of business prior to date when required to permit the Borrower to complete the transactions provided

for in the Material Project Agreements and to construct and operate the Project and to carry on its respective business as now contemplated. The Project Lands are zoned to permit construction and operation of the Project in accordance with the Plans and Specifications.

(p) Applicable Laws

The Project is in compliance in all material respects with all Applicable Laws, including, without limitation, all Environmental Laws. Further, there are no facts known or which ought reasonably to be known, after due enquiry by the Borrower, which could give rise to a Notice of non-compliance to such extent with any Applicable Laws.

(q) Hazardous Substances

The Borrower has not used the Project Lands, or permitted them to be used, to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances except in compliance in all material respects with all Environmental Laws. The Project Lands have not been used for, and have not been designated as, a waste disposal site.

(r) Changes to Applicable Laws

To the knowledge of the Borrower, there are no pending or proposed changes to Applicable Laws which would render illegal or materially restrict the Construction or the operation of the Project.

(s) Environmental Convictions

The Borrower has never been convicted of an offence or subjected to any judgment, injunction or other proceeding for non-compliance with any Environmental Laws or been fined or otherwise sentenced or settled such prosecution or other proceeding short of conviction.

(t) Release

In connection with the Project, the Borrower has no knowledge of having caused or permitted the Release of any Hazardous Substance on or off-site of the Project Lands except in compliance in all material respects with Environmental Laws. In connection with the Project, all Hazardous Substances and other materials and wastes that are not by their nature hazardous, disposed of, treated or stored or otherwise Released on real property owned or occupied by the Borrower, whether on or off-site of such properties, have been disposed of, treated, stored or otherwise Released in compliance in all material respects with all Environmental Laws.

(u) Adverse Environmental Condition

There are no conditions that directly or indirectly relate to environmental matters or the condition of the soil, air, surface and ground water or any combination thereof that likely have a Material Adverse Effect (whether on or below the Project Lands or any adjoining properties) including, without limitation, being located within

an environmentally sensitive area or a wetland area, as determined by any Governmental Authority.

(v) Environmental Notice

The Borrower has not received Notice, or has knowledge after due inquiry of any facts which could give rise to any Notice, that the Borrower is potentially responsible for a domestic or foreign, federal, provincial, state, municipal or local clean-up site or remedial action under any Environmental Law or any Order in connection with the Project.

(w) Data

Copies of all material analysis and monitoring data for soil, ground water, surface water and the like and reports pertaining to any environmental assessments/audits, including without limitation any inspections, investigations and tests, relating to the Project Lands or the Project that were obtained, are in the possession or control of, or were carried out on behalf of, the Borrower have been delivered in a timely manner to the Independent Cost Consultant.

(x) Environmental Records

Since acquiring the Project Lands, the Borrower has maintained all environmental and operating documents and records relating to the Project substantially in the manner and for the time periods required by Environmental Laws, Permits and Orders.

(y) Reporting

The Borrower has not defaulted in reporting to any applicable Governmental Authority in relation to the Project Lands or the Project on the happening of an occurrence which it is or was required by any Environmental Laws to report.

(z) Undisclosed Liabilities

There are no liabilities (including contingent liabilities) that, in the aggregate, are material in respect of any of the Project Lands, the Project, the Borrower, or any of the Guarantors, or their respective businesses, which have not been previously disclosed in writing to the Lender.

(aa) Liens

The Borrower has not received notice of any Liens other than Permitted Encumbrances.

(bb) Insolvency

The Borrower: (i) has not committed any act of bankruptcy, (ii) is not insolvent, or has proposed, or given notice of its intention to propose, a compromise or arrangement to its creditors generally, (iii) has not made any petition for a receiving order in bankruptcy filed against it, made a voluntary assignment in bankruptcy, taken any proceeding with respect to any compromise or arrangement, taken any

proceeding to have itself declared bankrupt or wound-up, taken any proceeding to have a receiver appointed of any part of its assets, has had any encumbrancer take possession of any of its property, or (iv) has not had an execution or distress become enforceable or become levied on any of its assets and property.

(cc) No Infringement

The design, construction, and operation of the Project does not infringe and will not infringe upon any patents, trademarks, trade names, service marks, or copyrights, domestic or foreign, or any other industrial property or intellectual property of any other Person, which infringement would likely have a Material Adverse Effect.

(dd) Lands

The location of any buildings on the Project Lands are, to the extent they have been constructed, within the boundary lines of the Project Lands and are in compliance with all applicable setback requirements.

(ee) Chief Executive Office

The address of the Borrower's chief executive office and the office where its records respecting debts, accounts, claims and choses in action are maintained is set out in Section 17.02.

(ff) Real Property

The only property interests necessary for the Project are the property interests comprising the Project Lands and any easements, interests or rights appurtenant thereto.

(gg) Borrower's Businesses

The Borrower does not carry on any business or have any assets or liabilities, other than the ownership and development of the Project.

(hh) Ownership of Borrower

The direct or indirect percentage ownership interests in the Borrower and Guarantors as disclosed in the Officer's Certificates delivered to the Lender are correct and no change to such ownership interest have occurred to the date of this Agreement

(ii) Insurance

The Borrower is in compliance with all Insurance requirements under this Credit Agreement and insurance policies issued in connection herewith.

(jj) Chief Executive Office

The chief executive office (as such term is used in the PPSA) of the Borrower is located in the Province of British Columbia.

(kk) Residents of Canada

The Borrower and each Guarantor are residents of Canada.

10.02 Nature of Representations and Warranties

The representations and warranties set out in this Article shall survive the execution and delivery of this Agreement and shall be deemed to be made and shall be correct upon the making of each Drawdown, notwithstanding any investigations or examinations which may be made by the Lender, Lender's Counsel, the Independent Cost Consultant or the Independent Insurance Consultant.

ARTICLE 11
COVENANTS

11.01 Affirmative Covenants of the Borrower

So long as any amount payable hereunder is outstanding or the Construction Facility is available hereunder, the Borrower and, as applicable, each Guarantor, covenants and agrees with the Lender that, except as otherwise consented to by the Lender in writing:

(a) Punctual Payment

It shall duly and punctually pay the principal of the Construction Facility, all interest thereon and all fees and other amounts required to be paid by the Borrower hereunder on the date due and in the manner specified hereunder.

(b) Corporate Existence and Conduct of Business

Each entity Borrower and Guarantor shall maintain its entity existence in good standing. It shall do or cause to be done all things necessary to keep in full force and effect all properties, rights, franchises, licences and qualifications to carry on business in British Columbia.

(c) Compliance with Applicable Laws

It shall comply with all Applicable Laws to the extent, except as otherwise set out herein, non-compliance would likely have a Material Adverse Effect.

(d) "As-Built" Survey - (Survey of Permanent Structures)

Not later than Substantial Completion of Phase 1, it will deliver to the Lender an "As-Built" Survey of the Project, prepared and certified by a land surveyor qualified to practise in British Columbia which will identify, inter alia, the location of all buildings which are permanent structures on the Project Lands or to be built on the Project Lands and confirm that all such structures are within the boundary of the Project Lands and that there has been compliance with all applicable setback requirements.

(e) "As-Built" Survey - (Survey of Foundations)

Not later than 60 days after the foundations are completed for each building on the Project Lands, it shall provide the Lender with a survey of the foundations of the buildings on the Project Lands.

(f) Inspections

To permit the Lender or any Lender representative to visit and inspect the Project on reasonable prior notice.

(g) Construction Insurance

From the date hereof, until Substantial Completion more particularly:

- (i) It shall maintain or cause to be maintained all risks builder's risk (including coverage against the perils of earthquake, flood and collapse and terrorism (if in the case of insurance relating to terrorism, same is available on a commercially reasonable basis)) insurance in connection with the Project and such other direct damage and indirect damage with respect to delay in opening insurance as the Lender, following consultations with and advice from the Independent Insurance Consultant, may reasonably require from time to time, all with insurance companies having a Standard and Poors A or Best's A VIII or TRAC 8 rating at time of placement and at all times thereafter with such insurance companies having comparable claims paying ability as approved by the Lender. Such insurance is to be in such amounts and with such deductibles as are customary in the case of owners of projects similar to the Project and in any event as are acceptable to the Lender. The builder's risk insurance shall include by-laws extensions to cover increased cost of construction, cost of demolition of the undamaged portion of the Project and resultant loss of income and a permission to occupy clause.
- (ii) It shall cause the limit of the all risk builder's risk policy to be sufficient to replace the Project or to repay all amounts outstanding pursuant to the Construction Facility and all other amounts required to be paid hereunder in respect of the Construction Facility.
- (iii) The direct and indirect damage insurance policies shall:
 - (A) name the Borrower as first named insureds thereunder and as additional insureds all those required to be named as additional insureds under any of the Material Project Agreements;
 - (B) name the Lender as mortgagee and first loss payee and have attached the standard Insurance Bureau of Canada mortgage clause;
 - (C) provide that no cancellation or termination thereof or material change therein, for any reason whatsoever (with the exception of cancellation due to non-payment of premium for which statutory notice of cancellation may apply), shall take effect unless the

insurer concerned has given the Lender not less than 30 days prior written notice of such proposed action;

- (D) contain a waiver by the insurer or insurers of all rights of subrogation or indemnity or any other claim to which such insurer or insurers might otherwise be entitled against the Lender; and
- (E) otherwise be in such form as the Lender shall reasonably require;

and such insurance policies may include a deductible of up to a maximum of \$100,000 except that in the case of earthquake risk, the deductible shall not exceed 10% of the value of the Project.

(iv) It shall maintain or cause to be maintained:

- (A) wrap-up liability insurance with a minimum combined single limit of liability of \$25,000,000 per occurrence, including completed operations coverage;
- (B) workers' compensation insurance;
- (C) such insurance as may be required to meet the obligations of the Borrower under any of the Material Project Agreements;
- (D) such other liability insurance as the Lender may reasonably require from time to time, all with insurance companies having Standard and Poors A or Best's A VIII or TRAC 8 ratings at time of placement and at all times thereafter with such insurance companies having comparable claims paying ability as approved by the Lender acting reasonably, such insurance to be in such amounts and with such deductibles as are customary in the case of owners of projects similar to the Project and in any event as are acceptable to the Lender, acting reasonably;
- (E) architects' errors and omission insurance with a minimum single limit of liability of \$250,000 per occurrence;
- (F) mechanical and electrical engineers' errors and omission insurance with a minimum single limit of \$2,000,000 per occurrence or such other amount as may be approved by the Lender;
- (G) structural engineers' error and omission insurance with a minimum single limit of \$1,000,000 per occurrence; and
- (H) Performance Bonds covering such Construction Contracts and in such monetary amount as required by this Agreement or as is recommended by the Independent Cost Consultant from time to time, and as agreed to by the Lender.

(v) The wrap-up liability insurance policies required herein shall:

- (A) name the Borrower as first named insureds and the Lender as additional named insureds and name all others required to be named under any of the Material Project Agreements, including architects, engineers, consultants, contractors, sub-contractors and trades of every tier;
 - (B) provide that no cancellation or termination thereof or material change therein, for any reason whatsoever, (with the exception of cancellation due to non-payment of premium for which statutory notice of cancellation may apply) shall take effect unless the insurer concerned has given the Lender not less than 30 days prior written notice of such proposed action;
 - (C) contain a waiver by the insurer of all rights of subrogation or indemnity or any other claim to which the insurer might otherwise be entitled against the Lender, the Lender and others to whom the Borrower has granted such waivers under any of the Material Project Agreements;
 - (D) contain a cross-liability clause and a severability of interests clause; and
 - (E) otherwise be in such form as the Lender shall reasonably require.
- (vi) So long as no Default or Event of Default has occurred and is continuing, the proceeds of all direct and indirect damage insurance shall be payable directly,
- (A) if Substantial Completion has not yet occurred, into an escrow account of the Borrower to be held by the Lender as additional security for the payment of all amounts payable hereunder, to be disbursed by the Lender against receipts payable in not more than 30 days for expenses incurred in repairing the damage or destruction or replacing property in respect of which the insurance is payable, or
 - (B) if Substantial Completion has occurred, to the Lender to be held as additional security for the payment of all amounts payable hereunder, in either case for release by the Lender to the Borrower to be applied by the Borrower in repairing the damage or destruction or replacing property in respect of which the insurance is payable upon receipt of:
 - (I) an Officer's Certificate of the Borrower stating that the proceeds of such insurance together with other funds held or arranged by the Borrower are sufficient to fully repair, rebuild or replace the damage or destruction in respect of which the insurance proceeds are payable;
 - (II) a letter of undertaking of the Borrower and the Guarantors to fully repair, rebuild and replace the damage or destruction in respect of which the insurance proceeds are payable; and

- (III) an opinion of the Independent Cost Consultant that the proceeds of insurance together with the other funds held or arranged by the Borrower will be sufficient to repair, replace or rebuild the damage or destruction in respect of which the insurance proceeds are payable.
 - (vii) If a Default or an Event of Default has occurred and is continuing, the proceeds of all insurance other than workers' compensation insurance and third party liability insurance shall be payable to the Lender to be applied by it, with the approval of a Lender, in reduction of the amounts outstanding hereunder.
 - (viii) The proceeds of all insurance held by the Lender shall, unless and until the same are applied or released to the Borrower as aforesaid, constitute continuing collateral security for the Borrower's obligations and liabilities in respect of amounts outstanding hereunder. The Lender shall place such funds in an interest-bearing account with the interest thereon to accrue to the benefit of the Borrower.
 - (ix) The Borrower will provide certified copies of all Policies required hereunder to be purchased and maintained by the Borrower; until such time as certified copies of such insurance policies are available, the Lender may accept properly executed binders of insurance bearing the original signatures of the insurers and having attached the draft policy wording which has been accepted by the insurers, and otherwise is in form acceptable to the Lender and the Independent Insurance Consultant acting reasonably.
 - (x) The Lender is authorized, in its sole discretion, to settle, adjust and comprise any claim greater than \$100,000 prior to a Default or Event of Default, and any claim regardless of amount after a Default or Event of Default.
- (h) Operating Insurance
- After Substantial Completion has been achieved and for so long as any amounts are due hereunder:
- (i) It shall maintain or cause to be maintained:
 - (A) all risks insurance (including the perils of flood and earthquake, collapse and terrorism (if, in the case of insurance relating to terrorism, same is available on a commercially reasonable basis)), on property of the Borrower or for which they may be liable of every description located in or on the Project on a replacement cost, stated amount (no co-insurance) basis. The policy will include by-laws extensions to cover increased cost of construction, cost of demolition of the undamaged portion of the Project and resultant loss of income and replacement cost wording which will not restrict replacement to the "same or adjacent site";

- (B) boiler and machinery insurance on a comprehensive basis on all machinery and equipment of the Borrower or for which they may be liable located on the Project Lands, on a replacement cost basis;
- (C) business interruption insurance under the property and boiler and machinery insurance policies adequate to reimburse all lost revenues relating to the Project for a term of not less than 24 months;
- (D) commercial general and umbrella liability insurance, including insurance against claims for personal injury, death, property damage or other loss arising out of the business of the Borrower or the operation of the Project and extended to include coverage for contractual liability, contingent employer's liability, collapse, explosion and underground hazards with a minimum combined single limit of \$5,000,000 and for each Person using the Project, a minimum limit of liability for any one occurrence of \$10,000,000;
- (E) workers' compensation insurance as required by the laws and regulations of the Province of British Columbia covering employees of the Borrower and any other Person acting under the authority of the Borrower;
- (F) such other insurance as may be required to meet the obligations of the Borrower under any of the Material Project Agreements; and
- (G) such other insurance as the Lender upon consultation with the Independent Insurance Consultant may reasonably require from time to time;

all with insurance companies having a Standard and Poors A or Best's A VIII or TRAC 8 rating at time of placement and at all times thereafter with such insurance companies having comparable claims paying ability as approved by the Lender acting reasonably. Such insurance is to be in such form and amounts and with such deductibles as are customary in the case of owners of projects similar to the Project and in any event as are acceptable to the Lender.

- (ii) The all risk, boiler and machinery and business interruption insurance policies referred to herein shall:
 - (A) name the Borrower as first named insureds thereunder and as additional insureds all those required to be named as additional insureds under any of the Material Project Agreements,
 - (B) name the Lender as mortgagee and first loss payee and have attached the standard Insurance Bureau of Canada mortgage clause with respect to the all risk and business interruption policies, and the boiler and machinery underwriters' standard mortgage clause with respect to the machinery insurance policy;

- (C) provide that no cancellation or termination thereof or material change therein, for any reason whatsoever, (with the exception of cancellation due to non-payment of premium for which statutory notice of cancellation may apply) shall take effect unless the insurer concerned has given the Lender not less than 60 days prior written notice of such proposed action;
 - (D) contain a waiver by the insurer or insurers of all rights of subrogation or indemnity or any other claim to which such insurer or insurers might otherwise be entitled against the Lender;
 - (E) contain a breach of conditions clause; and
 - (F) otherwise be in such form as the Lender shall reasonably require;
- and such insurance policies may:
- (G) contain deductibles of up to \$250,000 per occurrence, except that in the case of earthquake risk, the deductible shall not exceed the greater of 3% of the value of the cost to repair earthquake damage or \$100,000 (or such other amount as recommended by the Independent Insurance Consultant from time to time acting reasonably);
- (iii) The third party liability insurance policies shall:
- (A) name the Lender as an additional insured;
 - (B) provide that no cancellation or termination thereof or material change therein, for any reason whatsoever, (with the exception of cancellation due to non-payment of premium for which statutory notice of cancellation may apply) shall take effect unless the insurer concerned has given the Lender not less than 30 days prior written notice of such proposed action;
 - (C) contain a waiver by the insurer of all rights of subrogation or indemnity or any other claim to which the insurer might otherwise be entitled against the Lender;
 - (D) contain a cross-liability clause and a severability of interests clause; and
 - (E) otherwise be in such form as the Lender shall reasonably require.
- (iv) So long as no Default or Event of Default has occurred and is continuing, the proceeds of all Operating Insurance other than workers' compensation insurance and third party liability insurance:
- (A) if the total amount of such proceeds does not exceed \$1,500,000, shall be payable to the Borrower;

- (B) if the total amount of such proceeds equals or exceeds \$1,500,000, shall be payable to the Lender to be held as additional security for the payment of all amounts payable hereunder, to be released by it to the Borrower upon receipt of:
 - (I) an Officer's Certificate of the Borrower stating that the proceeds of such insurance together with other funds held or arranged by the Borrower are sufficient to fully repair, rebuild or replace the damage or destruction in respect of which the insurance proceeds are payable;
 - (II) a letter of undertaking of the Borrower and the Guarantors to fully repair, rebuild and replace the damage or destruction in respect of which the insurance proceeds are payable; and
 - (III) in the case of damage to any of the buildings on the Project Lands, an opinion of the Independent Cost Consultant that the funds requested, from time to time, will be sufficient to repair, replace or rebuild the damage or destruction in respect of which the insurance proceeds are payable;
 - (C) the proceeds of business interruption insurance shall be paid to the Borrower to pay Project expenses as they fall due;
- (v) Prior to Substantial Completion, if a Default or an Event of Default has occurred and is continuing, the proceeds of all insurance, other than workers' compensation insurance and third party liability insurance, shall be payable to the Lender to be held by the Lender as additional security for the payment of all amounts payable hereunder, to be applied by it, at the option of a Lender, in reduction of the amounts outstanding hereunder or released to the Borrower in accordance with the provisions of Section 11.01(h)(iv)(B)(I), (II), and (III);
- (vi) After Substantial Completion, if a Default or an Event of Default has occurred and is continuing:
- (A) the proceeds of all insurance other than workers' compensation insurance, third party liability and business interruption insurance shall be payable to the Lender to be held by the Lender as additional security for the payment of all amounts payable hereunder, to be applied by it, at the option of the Lender, in reduction of the amounts outstanding hereunder or released to the Borrower in accordance with the provisions of Section 11.01(h)(iv)(B)(I), (II), and (III), and;
 - (B) the proceeds of business interruption insurance shall be payable to the Lender to be held by the Lender as additional security for the payment of all amounts payable hereunder, to be applied on account of ongoing obligations of the Borrower hereunder as the same fall due from time to time and, to the extent of any surplus, firstly to arrears of such payments and thereafter if a Lender have opted to release proceeds of insurance pursuant to Section 11.01(h)(vi)(A) in accordance with Section

11.01(h)(iv)(B)(I), (II), and (III), then the balance of the proceeds of business interruption insurance shall be payable to the Borrower to pay Project Expenses as they fall due, failing which the balance, if any, remaining after application of such proceeds as aforesaid shall be paid to the Lender as a partial prepayment of the Construction Facility.

- (vii) The proceeds of all insurance held by the Lender shall, unless and until the same are applied or released to the Borrower as aforesaid, constitute continuing collateral security for the Borrower's obligations and liabilities in respect of amounts outstanding hereunder. The Lender shall place such funds in an interest-bearing account with the interest thereon to accrue to the benefit of the Borrower.

(i) Financial Statements and Other Information

The Borrower and Guarantor shall deliver to the Lender as applicable:

- (i) Annual Financials - as soon as available and, in any event, within 120 days after the end of each of its fiscal years:
- (A) copies of review engaged annual financial statements for the Borrower, consisting of balance sheets, statement of profit and loss and surplus and statement of changes in financial condition for each such year, together with the notes thereto, all prepared in accordance with generally accepted accounting principles consistently applied;
 - (B) copies of review engaged annual financial statements or personal net worth statements for each of the Guarantors;
- (ii) No Event of Default - concurrently with furnishing the financial statements pursuant to Section 11.01(i)(i), an Officer's Certificate of the Borrower stating whether any Default or Event of Default has occurred and is continuing and, if so, shall provide the information required under Section 11.01(u);
- (iii) Monthly Reports - unless delivered to the Lender within the previous three months pursuant to Sections 3.01, 3.02 or 3.03, as the case may be, the Borrower shall deliver within 15 days of each calendar month-end the following reports containing at a minimum the information below but subject to further reporting as requested by the Lender from time to time:
- (A) Project status reports recording, in detail, the Budgeted Project Costs, revised costs incurred to date, costs paid to date, estimates of the Cost to Complete and accounts payable, a listing of aged accounts payable and outstanding cheques relating to Project Costs and details of Holdbacks, all in a form approved by the Lender;
 - (B) an up-to-date report showing all Condominium Sales Agreements, including the details of Unit numbers, Unit type, purchaser's name,

square footage, selling price, deposits paid and payable and the dates relating to same and the estimated balance payable on closing of such Unit (together with copies of any Condominium Sales Agreement not previously delivered to the Lender), and, where any material amendments have been made to any Condominium Sales Agreements, or any Condominium Sales Agreement has been terminated or purportedly terminated, since the date of the previous report, the particulars of such amendment(s) or termination, the form of such report to be approved by the Lender;

- (C) copies of any amendments to the Amended Disclosure Statement together with evidence that such has been provided to all purchasers, and information as to whether any purchaser has purported to rescind or otherwise terminate its Condominium Sales Agreement;
 - (D) a rent roll listing all Leases relating to the Commercial Component (together with copies of any Leases not previously been delivered to the Lender);
 - (E) a report on any ongoing arrangements for the sale of the Commercial Component; and
 - (F) where such report relates to the period in which property Taxes relating to the Project were payable, evidence of the payment of same.
- (iv) Other - at the request of the Lender, such other reports, certificates, projections of income and cash flow or other matters affecting its business affairs or financial condition as the Lender may reasonably request.
 - (v) Drawdown Request Material – if a Drawdown is not requested in any given month, the Borrower will within thirty days of the end of that month deliver to the Lender the same material that it is to deliver with a Drawdown Request.
 - (vi) List of Purchasers of Residential Units – if a Drawdown is not requested in a given month, the Borrower will within thirty days of the end of that month, deliver to the Lender an updated Schedule P showing a current list of purchasers.
- (j) Project Budget

The Borrower agrees that further advances under this Agreement shall be subject to the Lender's ongoing review and the Lender's continued approval of the Project Budget, recognizing that certain aspects of the Project's construction phasing may require ongoing adjustments and modifications, provided however that the Lender shall require all aspects of the phasing of the Project that are subject to any purchaser's deposit insurance bond to be completed in accordance with the terms of such bond. Borrower agrees it shall adjust the Project Budget as the Lender

may require to focus on and permit completion of components of the Project in an order required by the Lender.

(k) Rights of Inspection

At any reasonable time and from time to time upon reasonable prior notice, the Borrower shall permit employees and/or agents of the Lender to examine and make copies of and abstracts from the records and books of account of the Borrower and to visit and inspect the Project and the premises and property of the Borrower and to discuss the affairs, finances and accounts of the Borrower with any of the officers, senior employees or managers of the Borrower and to inspect any of the collateral subject to the security interests granted under or pursuant to the Security. All such examinations, visits and inspections of the Lender shall be coordinated through the Lender for logistics purposes in order to minimize the number of such examinations, visits and inspections.

(l) Use of Loans

It shall use the Construction Facility only for the purposes set out in Section 2.04.

(m) Payment of Taxes, etc.

It shall from time to time take such action as to ensure that the representation and warranty set out in Section 11.04 hereof shall remain true and correct at all times.

The Borrower shall maintain all realty Taxes current. The Borrower agrees that, the Lender shall have the right to require the establishment of a realty tax reserve by way of monthly payments representing the Lender's estimate of 1/12 of the annual realty Taxes payable on the Project Lands which realty Tax reserve shall be maintained in an account as required by the Lender. Notwithstanding the preceding, the Lender shall not be responsible for the payment of any realty Taxes.

(n) Necessary Acts for Security

Subject to Section 12.02, it shall perform, or shall cause to be performed at the request of the Lender, and at the Borrower's expense, such acts as may be necessary or advisable to preserve, protect or perfect any Lien provided for herein or under any of the Documents or otherwise to carry out the intent of this Agreement. Without limiting the generality of the foregoing, the Borrower shall, from time to time, execute, deliver and register or shall cause to be executed, delivered and registered such further deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge necessary or advisable for such purpose.

(o) Adequate Books

It shall maintain adequate books, accounts and records in accordance with generally accepted accounting principles and practices consistently applied.

(p) Material Project Agreements

It shall at all times be and shall remain in full compliance in all material respects with all of its covenants, agreements and obligations in and diligently enforce all its material rights under all Material Project Agreements. The Borrower shall not alter, amend or waive in any material respect any of its rights under or permit any termination, surrender or alteration in any material respect of any rights under any Material Project Agreement, without the prior written consent of the Lender, which consent may not be unreasonably withheld or delayed.

The Borrower shall, forthwith following receipt thereof, provide a copy to the Lender of any and all notices of claim of any material default or breach under any Material Project Agreement or of any condition entitling any party to terminate its obligations thereunder.

The Borrower shall provide to the Lender copies of all new Material Project Agreements (or any proposed amendments of existing Material Project Agreements) that it proposes to enter into prior to the entering into thereof in order to obtain the prior written consent of the Lender, which consent may not be unreasonably withheld or delayed. The Borrower shall provide written notice to the Lender of any assignment made by a contracting party to a Material Project Agreement. If and when requested by the Lender, the Borrower shall: (i) assign its interest in such agreements to the Lender as further Security [or update the schedule in an omnibus assignment agreement], (ii) obtain such consents as may be required to complete the assignment of such agreements to the Lender and, (iii) if required by the Lender, cause the Borrower's Counsel to provide the Lender with such legal opinion as the Lender may reasonably request with respect thereto.

(q) Performance Bonds

The Borrower shall ensure the Lender is named as co-obligee/beneficiary of all labour or material performance bonds obtained in respect of the Project (if approved by the issuer(s) of such bonds).

(r) Information

It shall at its expense, provide, or authorize any other Person to provide, to the Lender, the Independent Cost Consultant and the Independent Insurance Consultant (or any agent, officer or employee of any of them) such information relating to the Project, the construction program for the Project, the Plans and Specifications, the Project Budget, the status of all Material Project Agreements and such other information relating to this Agreement, the Project, the business of the Borrower and the other documents referred to herein, as may reasonably be requested by the Lender, the Independent Cost Consultant and the Independent Insurance Consultant.

(s) Access

For the purposes of monitoring compliance with the covenants and obligations of the Borrower hereunder, the Lender and the Independent Cost Consultant (through their agents, officers or employees) shall have the right, at their risk, to visit and inspect the Project to conduct tests, measurements and surveys in

relation to the Project, provided that such tests, measurements and surveys are conducted in accordance with prudent industry practice and/or are required as a result of the reasonable concerns of the Lender as to non-compliance with such covenant and obligation, and to be advised as to the same by, the officers, engineers and advisers of the Borrower (or such other Persons as may be appropriate), all at such reasonable times and intervals as the Lender and the Independent Cost Consultant may desire upon reasonable prior notice and in the presence of the Borrower if it so desires. Such visits, inspections, measurements, reviews and tests etc. shall be at the cost of the Borrower. Any such visit, inspection, examination, discussion or tests shall not be deemed to be supervision, charge, management, control or occupation by the Lender or the Independent Cost Consultant for purposes of any environmental or other liabilities.

(t) Independent Cost Consultant

It shall permit the Lender, and the Lender shall have the right (i) prior to the date on which Construction Completion occurs and (ii) thereafter, from time to time, if in the Lender's opinion there is a concern about compliance with the obligations of the Borrower hereunder, to appoint and remove one or more Independent Cost Consultant for the purpose of (a) issuing progress certificates required with respect to Drawdowns (b) certifying to the Lender the achievement of Substantial Completion and Construction Completion, (c) from time to time reviewing the operations of the Project and some or all of the reports required by this Agreement or the other Documents, (d) from time to time projecting the Cost to Complete, (e) performing such additional functions as the Lender shall from time to time reasonably request or (f) advising the Lender as to whether the Project is being constructed and operated in accordance with:

- (i) prudent industry practice;
- (ii) Applicable Laws; and
- (iii) the Project Budget, the Plans and Specifications and the other Material Project Agreements.

The Borrower shall pay all reasonable fees, costs and expenses of all such Independent Cost Consultant. The Lender may at any time vary the scope of the role of the Independent Cost Consultant, in its discretion.

(u) Notices

It shall promptly give written notice to the Lender:

- (i) of any Default or Event of Default, forthwith after become aware thereof, such notice to specify such default or defaults or such event and its proposed remedy in respect of same, if any, in reasonable detail and the estimated time frame in which such default or defaults will be cured, in respect of such default or defaults.
- (ii) of any dispute which may exist between the Borrower and any Governmental Authority or of any requirement of any Governmental Authority which, in each case, could have a Material Adverse Effect;

- (iii) of any litigation, proceeding or dispute which, if adversely determined would have a Material Adverse Effect and from time to time furnish to the Lender all reasonable information requested by the Lender concerning the status of any such litigation, proceeding or dispute.
- (iv) if at any time the Total Project Cost is expected to exceed the Project Costs Cap Amount;
- (v) of any labour controversy which would likely have a Material Adverse Effect or could have an effect on the timing of the Substantial Completion or Construction Completion;
- (vi) of the occurrence of an event of *Force Majeure* describing in reasonable detail the effects of such event on the operations of the Project, the action which the Borrower intend to take to remedy such event and the estimated date when the event of *Force Majeure* will be remedied and will cease to impair Construction or operation of the Project;
- (vii) of the cessation of any event of *Force Majeure*;
- (viii) of any other matter which could have a Material Adverse Effect;
- (ix) of any circumstance of which the Borrower has notice or is aware which could result in a material breach of or default or non-performance by any party under the Material Project Agreements, any Condominium Sales Agreement or under any Permit;
- (x) of any damage to or destruction of any property, real or personal, which forms part of the Project, which might give rise to an insurance claim, if the cost of any repairs to or replacement of assets of the Borrower exceeds \$250,000;
- (xi) of any instrument of which the Borrower has notice of or is registered against title to the Project and provide to the Lender a true copy of such instrument;
- (xii) of any threatened expropriation or notice of expropriation with respect to the assets and property of the Borrower, such notice to be delivered forthwith upon the Borrower becoming aware of such threatened expropriation or their receipt of notice of such proceedings and the Borrower hereby covenants and agrees that no such claim shall be compromised or settled without the prior written consent of the Lender;
- (xiii) of any non-compliance with Environmental Laws as referred to in Section 11.03(a) after becoming aware thereof, and of any Notice including any investigation, non-routine inspection or inquiry by any Governmental Authority in connection with any Environmental Laws relating to the Project; and
- (xiv) of such other information respecting the business, properties, condition or operation of the Borrower as the Lender may from time to time reasonably request in order to determine compliance by the Borrower with or otherwise

in connection with the administration or enforcement of this Agreement or any Document to which it is a party.

(v) Remedy of Force Majeure

If the Borrower has given notice to the Lender of an event of *Force Majeure*, it shall use its reasonable commercial efforts to remedy or cause to be remedied the same or causes thereof; provided that notwithstanding the foregoing, no party shall be required to settle strikes of its employees or of employees of its contractors, sub-contractors and others on terms which it reasonably regards as unreasonable.

(w) Management and Control of Project

The Borrower shall manage the development and Construction of, and shall operate, the Project in accordance with: (i) prudent industry practice; (ii) the Material Project Agreements; (iii) the Project Budget; (iv) the Warranties; (v) the Plans and Specifications; and (vi) the Construction Schedule. Subject to *Force Majeure*, it shall not abandon (for a single period of 20 days or more), and shall ensure that there is no abandonment of, the Project or cease, and shall ensure that there is no cessation of, Construction for such period of time as would reasonably be expected to affect the ability to reach Construction Completion of Phase 1 by April 30, 2022, as such date may be extended by the period of any extension in the term of the Construction Facility pursuant to any *Force Majeure* which has then occurred but in any event no later than the Maturity Date. Further, it shall register the strata plan or plans for the Project and file the disclosure statements as soon as possible pursuant to the *Strata Property Act* (British Columbia) and the *Real Estate Development Marketing Act* (British Columbia), respectively, as such Acts may be amended or superseded at any time, and cause the production, filings, registrations and recordations of all other Condominium Documents as may be required to operate the Condominium Complex in accordance with prudent industry practice. All of the foregoing documentation must be acceptable in form and content, to the Lender, acting reasonably.

(x) Builders Lien Act (British Columbia)

It shall comply with the provisions of the *Builders Lien Act* (British Columbia), including payments into and administration of all holdback accounts.

(y) GST Refunds

It shall file on a monthly basis all returns and other documents necessary to obtain the refund of goods and services Tax paid under the *Excise Tax Act* (Canada) in respect of the Project and apply the amount of any such refund to payment of Project Costs.

(z) Maximum Borrowing under Construction Facility

The Borrower shall at all times ensure that the outstanding balance of the Construction Facility does not exceed the Construction Loan Commitment Amount.

(aa) Borrower's Equity and Cost Overruns

The Borrower shall maintain at all times Borrower's Equity as required by the terms of this Agreement. Forthwith upon any Cost Overrun being identified by the Independent Cost Consultant and being instructed to do so by the Lender acting on the instructions of the Lender, the Borrower shall fund any Cost Overruns or additional equity contributions required under this Agreement.

(bb) Delivery of Amended Disclosure Statement/Confirmation of Receipt of Purchaser Deposit

The Borrower shall comply with any requirement to amend the Disclosure Statement and shall deliver any Amended Disclosure Statement to each purchaser of a Unit as soon as reasonably possible and in any event prior to the date required by Applicable Laws and use commercially reasonable efforts to obtain a receipt from such purchaser. The Borrower shall provide to the Lender confirmation of receipt of the complete Purchasers' Deposits it receives for each presale of a Unit, that any Amended Disclosure Statement was duly delivered to the purchaser of such Unit, and that the purchaser has not attempted to rescind the Condominium Sales Agreement. The Borrower shall provide to the Lender confirmation of receipt of any further deposit for each presale of a Unit.

(cc) Signage

The Borrower shall, or shall cause, the erection of two signs to be provided by the Lender (the size and content of which shall be acceptable to the Lender, acting reasonably but in any event not to exceed 4 feet by 8 feet) to be located at a prominent place upon the Project (one sign on No 3 Road and one on Alderbridge Way) announcing the project financing contemplated herein and details of the Lender, and will permit the Lender to publish in any media a notice that financing for the Project has been provided by the Lender, provided that such notice shall not set out any particulars of the financing other than the names of the parties, the amount of the financing, the description of the Project and such other information as may be approved by the Borrower, acting reasonably.

(dd) Location of Operating Accounts

The Borrower shall maintain all operating accounts relating to the Project or its business with financial institutions acceptable to the Lender during the term of this Agreement.

(ee) Purchaser Deposits Accounts

The Borrower will maintain the Purchaser Deposits in trust accounts opened with financial institutions approved by the Lender. Such accounts will be interest bearing current accounts.

(ff) Agreements of Purchase and Sale

The Borrower shall use all commercially reasonable efforts to sell the Units in accordance with prudent industry standards and with a view to preserving and protecting the Project and maximizing the revenue to be generated therefrom. The

Borrower shall deliver, or cause the delivery of, each Condominium Sales Agreements within 15 days of the acceptance dates thereof together with, where the sale of more than one Unit is contemplated in a Condominium Sales Agreement or where sales of multiple Units will be made to a single purchaser or, to the Borrower's knowledge, related purchasers, information as to the creditworthiness of the purchasers satisfactory to the Lender. If any purchaser purports to terminate its Condominium Sales Agreement, the Borrower will vigorously contest such action and advise the Lender of the details thereof.

(gg) Application of Project Revenues

The Borrower shall apply all Project Revenues to repayment of the Loan unless otherwise agreed by the Lender.

All amounts received on account of the sales of Units shall be applied in accordance with the provisions of Section 12.04 and 12.06.

(hh) Non-Disturbance Agreements

Simultaneously with the execution of any Major Lease (or any other Lease in respect of which the Lender makes a request), the Borrower shall use commercially reasonable efforts to obtain from the tenant thereunder an attornment and non-disturbance agreement in a form acceptable to the Lender.

(ii) Maintain Project Lands

To keep the Project Lands in good repair, working order and condition consistent with all consents, authorizations and Applicable Laws from time to time and to make all needful and proper repairs, renewals, replacements, additions and improvements thereto in accordance with prudent management practices.

(jj) First Refusal

The Borrower grants to the Lender the first right of refusal with respect to providing financing for any future phases of the Project or the development of the Project Lands.

11.02 Environmental Covenants of the Borrower

The Borrower covenants and agrees that, unless the Lender consent in writing:

(a) Compliance with Environmental Laws

It shall comply, and cause any other party that is acting under its authority to comply, in all material respects with all Environmental Laws (including, but not limited to, obtaining any Permits, licences or similar authorizations) relating to the Project and shall notify the Lender promptly of any event or occurrence relating to the Project which, in the opinion of the Borrower, acting reasonably, is likely to give rise to a Notice of non-compliance with any Environmental Laws;

(b) Release of Hazardous Substances

It shall use its reasonable commercial efforts not to cause or permit a Release of any Hazardous Substance at, on, under or near the Project except in compliance with Environmental Laws;

(c) Environmental Audits

It shall provide the Lender with an environmental site assessment/audit report of the Project Lands, or an update of such assessment/audit report: (i) upon the written request of the Lender if in its reasonable opinion there is a concern about the Borrower's or the Project's compliance with Environmental Laws, all in scope, form and content satisfactory to the Lender; (ii) if such assessment/audit report has been prepared at the request of or on behalf of any Governmental Authority; and (iii) if a Default or an Event of Default relating to an environmental matter has occurred, and the Lender has made a written request to the Borrower for such an assessment/audit report or update, within 30 Banking Days after such request, and all such assessments/audits reports or updates thereof shall be at the Borrower's expense and risk; an environmental site assessment/audit may include, for purposes of this Section, without limitation, any inspection, investigation, test, sampling, analysis, monitoring pertaining to air, land and water relating to the Project reasonably required under the circumstances giving rise to the request for the assessment/audit report;

(d) Production of Hazardous Substances

The Borrower shall not use the Project, or permit it to be used, to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances except in compliance with all Environmental Laws; and

(e) Environmental Records

It shall maintain in all material respects all environmental and operating documents and records, including, without limitation, Permits and Orders, relating to the Project in the manner and for the time periods required by Environmental Laws.

11.03 Negative Covenants of the Borrower

So long as any amount payable hereunder is outstanding or the Construction Facility is available hereunder, the Borrower covenants and agrees that, unless the Lender consents in writing:

(a) No Sale of Assets

Except for the sale of the Units in the ordinary course of business at prices not less than 95% of the gross revenue listed in Schedule O "Unsold Units" or as approved by the Lender for future phases of the Project, and except for the sale of the Commercial Component or the CIBT Bulk Sale as permitted hereunder pursuant to Section 12.04 or pursuant to the Subordination and Standstill Agreement required in Section 3.01(f) respectively, the Borrower shall not sell, transfer, assign, convey or otherwise dispose of the Project or any part thereof or interest

therein except as contemplated herein, but, for greater certainty, the Borrower may dispose of obsolete machinery or equipment and machinery and equipment that is being replaced.

(b) No Investments or Guarantees

The Borrower, shall not, directly or indirectly, make investments (other than normal cash management) in or otherwise acquire any property or capital of any other Person or guarantee or provide any indemnity in respect of the obligations of any other Person.

(c) No Merger, Amalgamation, etc.

The Borrower shall not, except as otherwise permitted hereunder, amalgamate, merge, consolidate or otherwise enter into any other form of business combination with any other Person.

(d) No Dissolution

The Borrower shall not liquidate, dissolve or wind-up or take any steps or proceedings in connection therewith.

(e) Ownership

The Borrower and Guarantors shall not permit any change to the percentage ownership interests in the Borrower as described in 10.01(hh) of this Agreement and existing as at the date of this Agreement.

(f) Non-Arm's Length Transactions

The Borrower shall not enter into any contract with any Person not dealing at arm's length for the sale, purchase, lease or other dealing in any property other than at a consideration which equals the fair value of such property or other than at a fair market rental as regards leased property.

(g) Negative Pledge

The Borrower shall not create, issue, incur, assume or permit to exist any Lien on the Project or the Project Lands other than Permitted Encumbrances except with the prior written consent of the Lender, such consent not to be unreasonably withheld.

(h) No Further Borrowing

The Borrower will not create, issue, incur or assume any further indebtedness for borrowed money except as otherwise permitted under this Agreement or permitted by the Lender in writing.

(i) Borrower's Business

The Borrower shall not carry on any business or have any assets or liabilities other than the ownership and operation of the Project.

(j) Amendment or Assignment of Material Project Agreements

The Borrower shall not amend a Material Project Agreement in any material respect unless the Lender have provided their prior written consent.

Where a Material Project Agreement provides that a contracting party may only assign its interest with the consent of the Borrower, the Borrower shall not permit such assignment unless the Lender have provided their prior written consent, such consent not to be unreasonably delayed, to such assignment.

(k) Unit Vendor Take Back Mortgages

The Borrower shall not enter into any Condominium Sales Agreement which contains a provision allowing for partial or full payment of the purchase price payable thereunder by way of a vendor take back mortgage or other debt instrument in favour of the Borrower (the intent being that all net proceeds of the sale of Units shall be in the form of cash money).

(l) Shares

The Borrower shall not issue any further equity interests unless such equity interests are issued to existing owners as at the date of this Agreement.

(m) Leasing

The Borrower shall not enter into any Leases or renew, or, in the case of Leases other than Major Leases (which may only be amended, terminated or forfeited in accordance with Section 11.01(p)), amend, terminate, forfeit or cancel any Leases unless:

- (i) such Leases, amendments, renewals, terminations, forfeitures or cancellations reflect good business practice and such terms as a prudent owner of a single similar property would accept having regard to all relevant factors and the leasing practice in the market at the relevant time;
- (ii) where a rent free period is granted by the Borrower to the tenants under such Lease, such period does not exceed three months;
- (iii) the minimum rent payable under such Lease is not less than 95% of the pro forma year minimum rent as set out in any rental projections provided by the Borrower to the Lender; and
- (iv) in respect of Major Leases, the prior written consent of the Lender has been received in respect thereof (such consent not to be unreasonably withheld).

(n) Lease Prepayments of Rent

The Borrower shall not accept or require payment of rent or other moneys payable by a tenant under any Lease that would result in more than three months of such rent or other moneys being prepaid under such Lease.

(o) Amendment of Project Budget

The Project Budget may not be revised by the Borrower without the consent of the Lender, provided the Borrower shall not require the consent of the Lender to amend line items in the Project Budget by amounts not exceeding 5% of the total amount of such line items to a maximum of \$200,000 for any such line item, and further provided that such amendment to the Project Budget does not have a Material Adverse Effect on the Project.

(p) Application of Contingency Amounts in Project Budget

The Borrower will not use any portion of the Contingency Amount to pay any management or other fees of the Borrower or to pay any amounts in excess of cash allowances under the Construction General Contractor Agreement which complies with Section 3.01(q) unless it has first obtained the consent of the Lender.

(q) Amendment of Plans and Specifications

The Plans and Specifications may not be revised by the Borrower in any material respect except with the consent of the Lender, such consent not to be unreasonably withheld, and provided the Borrower can demonstrate that it has received additional Borrower's Equity sufficient to cover any increased Budgeted Project Costs arising in connection therewith. Upon revision of the Plans and Specifications the Borrower will forthwith provide a copy to the Lender and the Independent Cost Consultant.

(r) Amendment of Construction Schedule

The Construction Schedule may not be revised by the Borrower in any material respect except with the consent of the Lender and provided the Borrower can demonstrate that it has received additional Borrower's Equity sufficient to cover any increased Budgeted Project Costs arising in connection therewith. Upon revision of the Construction Schedule the Borrower will forthwith provide a copy to the Lender and the Independent Cost Consultant.

(s) No Assignment of Condominium Sales Agreements

The Borrower will not consent to any assignment by a purchaser of a Condominium Sales Agreement unless the Borrower retains the deposits paid thereunder and the original purchaser is not released from its obligations and liabilities under the Condominium Sales Agreement.

(t) No Change in Use

The Borrower will not change the intended use of the Project or any part thereof.

(u) No Distributions

The Borrower will not make any distributions or withdrawals from the Project except for payments to the Lender in accordance with the provisions of this Agreement.

(v) No Early Occupancy

The Borrower shall not permit occupancy of a Unit prior to the applicable strata plan being filed in the Land Title Office and an occupancy certificate being issued by the municipal authorities for such Unit.

(w) No Further Amendments to Disclosure Statements

The Borrower will not file any amendments to the Disclosure Statements, except as required by Applicable Laws, including but not limited to the *Real Estate Development Marketing Act* (British Columbia) and the regulations thereto and after review by the Lender.

(x) Amendment of Subordinate Agreements

The Borrower shall not amend any of the agreements subordinated to the Lender, without in each case the prior written consent of the Lender.

11.04 Tax Covenants of the Borrower

The Borrower has timely filed with the appropriate Governmental Authorities all tax returns that are required to have been filed in any jurisdiction (which tax returns are true, correct and complete and have been prepared in accordance with applicable laws in all material respects), and has paid all Taxes shown to be due and payable on such returns and all other Taxes levied or assessed upon it or its properties, assets, income or franchises, to the extent such Taxes have become due and payable and before they have become delinquent, except for any Taxes (i) the amount of which is not, individually or in the aggregate, material or (ii) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and in accordance with applicable law need not be paid until the resolution of such proceedings and with respect to which the Borrower has established adequate reserves in accordance with generally accepted accounting principles. The Borrower knows of no basis for any other Tax that could reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Borrower in respect of federal, provincial, state or other Taxes for all fiscal periods are adequate. No income tax returns of the Borrower are currently the subject of audit by any Governmental Authorities. The Borrower has not made or filed any agreement, waiver or other arrangement providing for an extension of time with respect to the assessment or re-assessment of any Taxes or with respect to the filing of any tax returns for any taxation year.

11.05 Tax Indemnification by the Borrower: Gross Up Clause

(1) Each payment to the Lender under any Document including this Agreement (whether in respect of principal, interest, interest on overdue interest, fees or any other payment obligations) shall be made without setoff, counterclaim or reduction for, and free from and clear of, and without deduction for or because of, any and all present or future Taxes imposed, levied, collected, assessed or withheld by or within any applicable jurisdiction, unless the Borrower is required by law or the interpretations thereof by relevant Governmental Authority to make such withholding or deduction.

(2) If the Borrower does not pay, cause to be paid or remit payments due hereunder free from and clear of such Taxes, then the Borrower shall forthwith pay the Lender such additional amount ("**Tax Indemnity Amounts**") as may be necessary in order that the net after Taxes amount of every payment made to the Lender after provision for payment of any Taxes

payable by the Borrower and/or such Lender (including any deduction or withholding of Taxes imposed, levied, collected, assessed or withheld by or within any applicable jurisdiction on or with respect to Tax Indemnity Amounts and Taxes on or in respect of the receipt of Tax Indemnity Amounts), shall be equal to the amount which the Lender would have received had there been no such Taxes. No such Tax Indemnity Amount shall be payable in respect of:

- (a) a payment to the Lender if not dealing at arm's length with the Borrower within the meaning of the *Income Tax Act* (Canada) at the time of the payment;
- (b) any Tax, assessment or other governmental charge which would not have been imposed but for the existence of any present or former connection (other than the mere holding of the Loan or being a beneficiary of the Documents or exercising rights and remedies under the Loan or any other Document) between such holder and the applicable jurisdiction or any political subdivision or territory or possession thereof or therein or area subject to its jurisdiction, including, without limitation, the Lender being or having been a resident thereof, being or having been present or engaged in trade or business therein, or having or having had a permanent establishment therein, in each case other than as a result of the mere holding of the Loan or being a beneficiary of the Documents or exercising rights and remedies under the Loan or any other Document (for greater certainty, the exclusion in this clause (b); shall not apply to exclude Taxes under Part XIII of the *Income Tax Act* (Canada) or any successor provisions thereof).

(3) If as a result of any payment by the Borrower under any Document including this Agreement, whether in respect of principal, interest, interest on overdue interest, fees or other payment obligations the Lender is required to pay any Taxes imposed, levied, collected, assessed or withheld by any applicable jurisdiction (other than Taxes to the extent described in clauses 11.05(2)(a) or (b) above or in respect of a payment described in clauses 11.05(2)(a) or (b) above) or if a Governmental Authority asserts the imposition of such Taxes, then the Borrower will, upon demand by the Lender, indemnify the Lender for the imposition or payment of any such Taxes, whether or not such Taxes are correctly or legally asserted, and for any Taxes on such indemnity payment, in each case, together with any interest, penalties and expenses in connection therewith. All such amounts shall be payable by the Borrower on demand by the Lender, and shall bear interest at the Interest Rate.

(4) If any payment is made by the Borrower to or for the account of the Lender after deduction for or on account of any Taxes, and increased payments are made by the Borrower pursuant to this Section 11.05, then, if the Lender at its reasonable discretion determines that it has received or been granted a refund of such Taxes, the Lender shall, to the extent that it can do so without prejudice to the retention of the amount of such refund, reimburse to the Borrower such amount as the Lender shall, in its reasonable discretion, determine to be attributable to the relevant Taxes or deduction or withholding in respect of which the Borrower has paid Tax Indemnity Amounts. Nothing herein contained shall interfere with the right of the Lender to arrange its tax affairs in whatever manner it thinks fit and, in particular, the Lender shall not be under any obligation to claim relief from its corporate profits or similar tax liability in respect of such Tax in priority to any other claims, reliefs, credits or deductions available to it or oblige the Lender to disclose any information relating to its tax affairs or any computations in respect thereof.

(5) The Borrower will furnish the Lender, promptly and in any event within 45 days after the date of any payment by the Borrower of any Tax in respect of any amounts paid under the Documents, the original tax receipt issued by the relevant taxation or other authorities involved

for all amounts paid as aforesaid (or if such original tax receipt is not available or must legally be kept in the possession of the Borrower, a duly certified copy of the original tax receipt or any other reasonable satisfactory evidence of payment), together with such other documentary evidence with respect to such payments as may be reasonable requested from time to time by the Lender.

(6) The obligations of the Borrower under this Section 11.05 shall survive the payment or transfer of the Construction Facility and shall survive so long as any relevant limitations period with respect to any Taxes remains open and the provisions of this Section 11.05 shall also apply to successive transferees of the Construction Facility.

ARTICLE 12 **SECURITY**

12.01 Security

(1) The Borrower shall execute and deliver, or cause the execution and delivery, to the Lender the following as continuing collateral security for the performance by the Borrower and Guarantors of all of their obligations hereunder:

- (a) a first-ranking Mortgage of the Property, in the amount of \$422,000,000 or a modification of the existing mortgage in favour of the Lender;
- (b) a first-ranking general assignment of all present and future rents pursuant to Leases (Leases includes an offer to lease) affecting the Property together with all insurance and indemnities covering rents, and of all income and accounts derived from the Property including all proceeds receivable from early termination of any Lease and all other benefits and advantages from Leases;
- (c) first ranking (or next-highest ranking, for Guarantors) general security agreements creating a security interest in all the present and after-acquired personal property of the Borrower and Guarantors and proceeds thereof. Provided there is no Default or Event of Default, the Lender agrees to postpone (or provide a "no interest" letter in respect of) its security interest in respect of any Guarantor upon request where a Guarantor seeks financing in connection with its normal course business and is required to provide a personal property security in connection with such financing;
- (d) a specific assignment of all the Borrower's right, title and interest in, to and under all material contracts affecting or with respect to the Property and the Project, including, without limiting the generality of the foregoing, all economic incentives, license or lease agreements (including any license of occupation granted by the City of Richmond to the Borrower) material agreements and specifications, bonds, letters of credit, permits, licences, purchase and sale agreements and deposits (including the CIBT Bulk Sale Agreement), and specific development approvals and other agreements related to the Property, as required by the Lender, with all necessary consents of the other parties thereto. With respect to the assignment of Material Project Agreements Borrower shall use commercially reasonable efforts to cause the counterparties to acknowledge such assignment and to agree that Lender may cure Borrower defaults, in Lender's sole discretion. Such assignment shall including, without limitation, the Consultant Contracts and Performance Bonds, duly acknowledged by the Architect, the Project Manager and those Contractors designated by the Lender;

- (e) specific assignment of all security provided to third parties (including, without limitation, the City of Richmond or any other municipality, any public utility or any other Governmental Authority) with respect to any letters of credit or cash deposits related the Project, together with an irrevocable direction to pay any funds that otherwise would be payable to Borrower, upon the cancellation or return of such letters of credit or cash deposits, directly to Lender;
- (f) the Assignment of Purchase Agreements;
- (g) the covenant from the Borrower providing that it shall cause the Lender to be named as co-obligee/beneficiary of all labour and material and performance bonds (if approved by the issuer(s) of such bonds);
- (h) the Environmental Indemnity Agreement;
- (i) the Guarantee Agreements consisting of an unconditional, joint and several guarantees by the Guarantors as principal debtors and not as sureties for the performance of all obligations of the Borrower with respect to the Construction Facility, it being understood that the Lender shall not be obliged to proceed against the Borrower or to enforce or exhaust any security before enforcing its rights against any Guarantor;
- (j) acknowledgment of the status and terms of any contracts affecting or with respect to the Property including, without limitation, any pertaining to ownership, insurance, shared facilities, passageway agreements or other similar matters confirming the good standing of such contracts and the rights of the Lender under its security;
- (k) if any part of the Property is or becomes a condominium or strata, a specific assignment of all condominium association voting rights;
- (l) assignment of all insurance policies with respect to the Property and the Project and all proceeds and benefits therefrom;
- (m) a cost overrun and construction completion guarantee from Borrowers and Guarantors;
- (n) assignment, postponement and subordination by the owners of Borrower and corporate Guarantors, of any and all loans, indebtedness, distributions of income and/or capital owing or due to them from time to time. Provided there is no Default or Event of Default, Borrower may pay normal-course management fees as approved by Lender in its sole discretion;
- (o) assignment to Lender of any existing or future profit participation agreements affecting development of the Property or the Project or any portion thereof;
- (p) pledge of all issued ownership interests of Borrower;
- (q) such other security as the Lender shall require which is contemplated by this Agreement or which security more fully gives effect to the Security contemplated by this Agreement.

(2) The Borrower, Guarantors and Lender agree that the obligations to deliver the Security may be satisfied, in the sole discretion of the Lender, by relying on the security delivered in the Existing Loan Facilities with such amendments, updates, revisions, restatements or acknowledgements as the Lender may deem necessary or advisable (such additional documents forming part of the Security and incorporated into the definition of Security) and the Borrower and Guarantors shall cooperate and deliver such additional documents as may be requested all as a condition to the first advance to be made after the date of this Agreement.

12.02 Registration

The Lender shall, at the expense of the Borrower, register, file or record the Security in all offices where such registration, filing or recording is necessary or of advantage to the creation, perfection and preserving of the security applicable to it including, without limitation, any land registry offices in British Columbia. The Lender shall be permitted to renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect. The Security has been prepared based upon the laws of Canada and British Columbia applicable thereto in effect at the date hereof and such laws may change. The Lender shall have the right to require that any such forms be amended to reflect any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Lender the security interests intended to be created thereby, except that in no event shall the Lender require that any such amendment be effected if the result thereof would be to grant the Lender greater rights than is otherwise contemplated herein.

12.03 After Acquired Property and Further Assurances

The Borrower shall from time to time execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge in connection with all assets acquired by the Borrower after the date hereof and intended to be subject to the security interests created hereby including any insurance thereon.

12.04 Commercial Component: Sale or Financing

In the event that the Borrower desires to sell, refinance or joint venture with any Person with respect to the Commercial Component, the Borrower shall provide all relevant details and information with respect thereto to the Lender and shall require the prior written consent of the Lender before entering into any binding agreements. The Lender will determine the terms and conditions for providing its consent, including minimum purchase price or refinancing proceeds and the effect on the balance of the Project and application of proceeds of sale.

12.05 Assignment of Commercial Purchase Agreement

The Borrower agrees that if it enters into a Commercial Purchase Agreement, after obtaining the prior written consent of the Lender pursuant to Section 12.05, it shall assign its rights thereunder to the Lender as collateral security for its obligations hereunder. Such assignment agreement shall be acknowledged by the purchaser and be in form and substance satisfactory to the Lender.

12.06 Partial Releases

(1) Provided there is no Default or Event of Default, the Borrower shall be entitled to a partial release of the Security as it relates to the Units located in portions of the Project known

as Towers E and F, and for retail units located in Towers A through G (other than those which are sold to CIBT) if:

- (a) such partial release is permitted by law,
- (b) such partial discharge will not material impact the value or enforceability of the Security,
- (c) such partial discharge is in respect of a Qualified Condominium Presale or the sale of the Unit at the sales price otherwise approved by the Lender,
- (d) all appropriate and necessary easement and similar agreements are in place and the provision of all land use planning requirements are met with respect to such release,
- (e) the sale of such Unit to a bona fide arm's length purchaser has closed at a sales price not less than the prices agreed to by the Lender in its sole discretion (being those prices set out in Schedule O and P, as applicable or otherwise approved by the Lender), and
- (f) upon payment to the Lender of 100% of the Net Sales Proceeds of such Unit together with the discharge fee for each Unit in accordance with Section 5.04.

(2) All amounts repaid in respect of the principal amount of the Construction Facility shall result in a permanent reduction of the Construction Facility.

(3) The Lender shall execute such releases of the Security in form and substance as the Borrower may reasonably require and shall deliver same to the Borrower's Counsel upon delivery to the Lender of the amount set forth in Section 12.06(1) or an undertaking by such Borrower's Counsel to remit the amounts described in Section 12.06(1) forthwith after the closing of such sale. The provisions of Section 12.06 relating to partial discharges shall not apply to the closing of the CIBT Purchase Agreement or the CIBT Bulk Sale and such releases shall be delivered by the Lender only upon repayment in full of the Loan and satisfaction of all obligations of the Borrower under this Agreement.

(4) Notwithstanding the foregoing, the Lender acknowledges that the Borrower and CIBT are negotiating an amendment to the CIBT Purchase Agreement pursuant to which the Borrower will no longer be obligated to sell to CIBT the 126,482 square foot office tower ("**Tower G**") forming part of the Project, and that the Borrower intends to stratify Tower G and pre-sell the resulting strata lots (collectively, the "**Tower G Strata Lots**"). The Borrower shall provide the Lender with a price list of the Tower G Strata Lots for the Lender's approval in substantially the form attached as Schedule O. Following approval by the Lender of such price list, the Lender shall be obligated to grant partial discharges of its security over the Tower G Strata Lots as set out above in this Section 12.06 *mutatis mutandis*.

12.07 Future Agreements

The Lender agrees to, from time to time, upon the request of and at the expense of the Borrower, to execute and deliver:

- (a) a Priority Agreement in respect of each Future Development Encumbrance over the Security on terms satisfactory to the Lender, acting reasonably;

- (b) such acknowledgements and priority and other agreements as may reasonably be required pursuant to the terms of any Permitted Encumbrances (now or hereafter existing) or Future Development Encumbrance, provided the Lender is satisfied, acting reasonably, with the terms and conditions thereof.

ARTICLE 13
EVENTS OF DEFAULT AND ACCELERATION

13.01 Events of Default

(1) The occurrence of any one or more of the following events (each such event being herein referred to as an "Event of Default") shall constitute a default under this Agreement:

- (a) if the Borrower defaults in payment of the principal of the Construction Facility either upon demand by the Lender or when otherwise due and payable and such default continues for 2 Business Days after such payment is due;
- (b) if the Borrower defaults in payment of
- (i) any interest due,
 - (ii) any commitment fee or other fee due hereunder, or
 - (iii) any other amount not specifically referred to herein payable by the Borrower hereunder when due and payable;

and such default continues for 2 Business Days after notice of such default has been given by the Lender to the Borrower;

- (c) if the Borrower or a Guarantor neglects to observe or perform any covenant or obligation herein contained or contained in the Documents on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 13.01) and, after notice has been given by the Lender to the Borrower or Guarantor, as the case may be, specifying such default and requiring the Borrower or Guarantor, as the case may be, to put an end to the same (which said notice may be given by the Lender, in its discretion), the Borrower or Guarantor shall fail to remedy such default within a period of 10 days after the giving of notice or, where the Lender consider, acting reasonably, that such default cannot be cured within such 10 days, such longer period as the Lender may permit provided the Borrower or Guarantor, as the case may be, is diligently proceeding to cure such default;
- (d) if a default or event of default occurs under the any subordinate loans or related security to third parties;
- (e) if an event of default as defined in any indentures or instruments evidencing, or under which, indebtedness for borrowed money of the Borrower, is outstanding shall happen and be continuing or if the Borrower shall fail, within 5 days after the maturity or extended maturity of any such indebtedness to pay or refund the same; provided, however, that if such event of default under such indenture or instrument shall be remedied or cured by the Borrower, as the case may be, or be waived by the holders of such indebtedness before any judgment or decree for the payment

of the money due shall have been obtained or entered, then the Event of Default hereunder by reason thereof shall be deemed likewise to have been thereupon remedied, cured or waived without further action upon the part of the Lender;

- (f) if an event of default as defined in any indenture or instrument evidencing, or under which, any indebtedness for borrowed money of the Borrower is outstanding shall happen and be continuing and such debt shall have been accelerated and such acceleration shall not have been stayed, rescinded or annulled within 20 days after notice thereof shall have been given to the Borrower; provided, however, that if such event of default under such indenture or instrument shall be remedied or cured by the Borrower, or be waived by the holders of such indebtedness before any judgment or decree for the payment of the money due shall have been obtained or entered, then the Event of Default hereunder by reason thereof shall be deemed likewise to have been thereupon remedied, cured or waived without further action upon the part of the Lender;
- (g) if a decree or order of a court of competent jurisdiction is entered adjudging the Borrower or a Guarantor, a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of the Borrower or a Guarantor under the *Companies' Creditors Arrangement Act (Canada)*, the *Bankruptcy and Insolvency Act (Canada)* or the *Winding Up and Restructuring Act (Canada)* or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against, or against any substantial part of the assets of the Borrower or a Guarantor or ordering the winding up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 10 business days;
- (h) if the Borrower or a Guarantor becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act (Canada)* or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act (Canada)*, the *Winding Up and Restructuring Act (Canada)* or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition;
- (i) if a final judgment or decree for the payment of money due shall have been obtained or entered against the Borrower or a Guarantor in an amount which, in the reasonable opinion of the Lender, would, in the case of the Borrower, have a Material Adverse Effect, or, in the case of a Guarantor, would have a Material Adverse Effect on its ability to perform its obligation under the Documents to which it is a party, and such judgment or decree shall not have been and remain vacated, discharged or stayed within 10 business days after it is obtained or entered;
- (j) if any representation or warranty made by the Borrower or a Guarantor in this Agreement or any Document, as applicable, or in any certificate or other document

at any time delivered hereunder by any of the foregoing entities to the Lender shall prove to have been incorrect or misleading in any material respect on and as of the date thereof;

- (k) if, unless solely as a result of any error, act or omission of the Lender, any of the Security shall cease to be a valid and perfected first priority security interest as against third parties and, provided the Lender are satisfied that their position will not be prejudiced, same is not rectified within 5 days of the Borrower receiving notice of the occurrence of such event;
- (l) if proceedings are commenced for the dissolution, liquidation or winding-up of the Borrower or a Guarantor or for the suspension of the operations of the Borrower or a Guarantor unless such proceedings are being actively and diligently contested in good faith;
- (m) if Construction ceases for a single period of 20 days or more, except as the result of Force Majeure;
- (n) if there occurs a default by the Borrower under any of the Material Project Agreements which results in a Material Adverse Effect;
- (o) if there is any reorganization of the Borrower or any consolidation, merger or amalgamation of the Borrower and with any other company or companies;
- (p) if an event of default as defined in any indenture or instrument evidencing any indebtedness for borrowed money (or other form of liability, contingent or otherwise) or under any agreement granting security therefor, where such indebtedness is of a full recourse nature to a Guarantor, and is in respect of indebtedness (in the aggregate relating to all such defaults) which is in excess of \$200,000, and such indebtedness shall have been accelerated;
- (q) if the Borrower fails to open, maintain and operate Holdback accounts as required by the *Builders Lien Act* (British Columbia);
- (r) if the Borrower fails to obtain consent for the withdrawal of monies from Holdback accounts from all parties as required under the *Builders Lien Act* (British Columbia); or
- (s) if a claim of lien is made against the Project or the Project Lands under the *Builders Lien Act* and is not released, discharged or vacated from title as required by the Lender.

(2) All periods for curing default contained in this Section 13.01 will run concurrently with any requirements for notice under any Canadian or other applicable law, including without limitation, the *Bankruptcy and Insolvency Act* (Canada).

13.02 Acceleration

- (1) If any Event of Default shall occur:
 - (a) the entire principal amount of Construction Facility then outstanding and all accrued and unpaid interest thereon; and

(b) all other payments or amounts due hereunder;

shall, at the option of the Lender, become immediately due and payable with interest thereon, at the rate or rates determined as herein provided, to the date of actual payment thereof, all without notice, presentment, protest, demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by the Borrower. In such event the Lender may, in its discretion, exercise any right or recourse and/or proceed by any action, suit, remedy or proceeding against the Borrower or Guarantors authorized or permitted by law for the recovery of all the indebtedness and liabilities of the Borrower or Guarantors to the Lender and proceed to exercise any and all rights hereunder and no such remedy for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

13.03 Termination

In the event the Borrower is in default for any reason whatsoever under the terms of this Agreement or if it does not fulfill the conditions for disbursement of the Loan in accordance with the terms and conditions contained herein or in any other agreement or document arising under this Agreement, no later than five (5) business days prior to the date of first advance after entering into this Agreement, or if any information or document supplied by the Borrower is found to be incomplete or inaccurate in a material respect or if for any reason the Borrower does not accept all or a part of the proceeds of the Loan when the Lender makes them available, the parties to this Agreement hereby acknowledge that the Lender shall be entitled, at their discretion, to cancel their obligations under this Agreement. In that event, the Lender may suspend any obligations to make any advance but all obligations of the Borrower shall continue or if the Borrower terminates this Agreement for any reason, the Borrower shall remain liable and be required to pay and reimburse the Lender for all fees, costs and expenses as set out in in Section 2.09 and Article 15 whether or not the Loan is made. These agreements with respect to the Borrower's obligation to pay fees, costs and expenses are enforceable by the Lender notwithstanding the termination of this Agreement, each of such covenants and agreements having an independent existence from the other rights and obligations under this Agreement.

13.04 Remedies Cumulative and Waivers

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Lender hereunder or under any other Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to this Agreement shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to the Lender may be lawfully entitled for such default or breach. Any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by the Lender shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Lender under this Agreement or any other Document or instrument executed pursuant to this Agreement as a result of any other default or breach hereunder or thereunder.

13.05 Termination of Lender' Obligations

The occurrence of an Event of Default, unless waived by the Lender, shall relieve the Lender of all obligations to provide any further advances of the Construction Facility.

ARTICLE 14 CHANGE OF CIRCUMSTANCES

14.01 Change in Law

In the event of any change in any Applicable Law or official directive (whether or not having the force of law) or in the interpretation or application thereof by any court or by any governmental agency, central bank or other authority or entity charged with the administration thereof which now or hereafter:

- (a) subjects the Lender to any Tax or changes the basis of taxation, or increases any existing Tax, on payments of principal, interest, fees or other amounts payable by the Borrower to the Lender under this Agreement (except for Taxes on the overall net income or, subject to item (c) below, capital of the Lender);
- (b) imposes, modifies or deems applicable any reserve, special deposit or similar requirements against assets held by, or deposits in or for the account of or loans by or any other acquisition of funds by, an office of the Lender; or
- (c) imposes on the Lender or expects there to be maintained by the Lender any capital adequacy, capital maintenance or additional capital requirements in respect of the Construction Facility or any other condition with respect to this Agreement,

and the result of any of the foregoing shall be to increase the cost to, or reduce the amount of principal, interest or other amount received or receivable by the Lender hereunder or its effective return hereunder in respect of making or, maintaining the Construction Facility, the Lender shall determine that amount of money which shall compensate it for such increase in cost or reduction in income (herein referred to as "**Additional Compensation**"). Upon the Lender having determined that it is entitled to Additional Compensation in accordance with the provisions of this Section 14.01, the Lender shall promptly so notify the Borrower. The Lender shall provide to the Borrower a copy of the relevant law, rule, guideline, regulation, treaty or official directive and a certificate of a duly authorized officer of the Lender setting forth the Additional Compensation and the basis of calculation therefor, which shall be *prima facie* evidence of such Additional Compensation in the absence of manifest error. In such notice, the Lender must also state that it is seeking similar payment from borrowers with credits from the Lender that are, in the Lender's opinion, acting reasonably, similar to the Borrower and the Credit Facilities. The Borrower shall pay to the Lender within 90 days of the giving of such notice such Lender's Additional Compensation. The Borrower will only be responsible for costs incurred after receipt of notice from the Lender setting forth the basis for the Additional Compensation. The Lender shall be entitled to be paid such Additional Compensation from time to time to the extent that the provisions of this Section 14.01 are then applicable notwithstanding that the Lender has previously been paid any Additional Compensation. The Lender shall endeavour to limit the incidence of any such Additional Compensation, including seeking recovery for the account of the Borrower, by appealing any assessment at the expense of the Borrower upon the Borrower's request.

14.02 Prepayment

Notwithstanding the provisions hereof, if the Lender gives the notice provided for in Section 14.01, the Borrower may, upon 10 Banking Days notice to that effect given to the Lender (which notice shall be irrevocable), prepay in full without penalty the Construction Facility outstanding together with accrued and unpaid interest on the principal amount so prepaid up to the date of such prepayment, such Additional Compensation as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lender by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of the Construction Facility or any part thereof on other than the last day of the applicable Interest Period, and upon such payment being made that the Lender's obligations to make such advances under the Construction Facility to the Borrower under this Agreement shall terminate.

14.03 Illegality

If the adoption of any applicable law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any governmental or other authority or central bank or comparable agency or any other entity charged with the interpretation or administration thereof or compliance by the Lender with any request or direction (whether or not having the force of law) of any such authority, central bank or comparable agency or entity, now or hereafter makes it unlawful or impossible for the Lender to make, fund or maintain the Construction Facility or to give effect to its obligations in respect thereof, the Lender may, by written notice thereof to the Borrower declare its obligations under this Agreement to be terminated whereupon the same shall forthwith terminate, and the Borrower shall prepay within the time required by such law (or at the end of such longer period as the Lender at its discretion has agreed) the principal of Construction Facility together with accrued interest, such Additional Compensation as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lender by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of the Construction Facility or any part thereof on other than the last day of the applicable Interest Period. If any such change shall only affect a portion of the Lender's obligations under this Agreement which is, in the opinion of the Lender, severable from the remainder of this Agreement so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Lender or the Borrower hereunder, the Lender shall only declare its obligations under that portion so terminated.

ARTICLE 15

COSTS, EXPENSES AND INDEMNIFICATION

15.01 Costs and Expenses

In addition to any fees or cost recovery provision set out previously in Section 2.10 or otherwise in this Agreement, the Borrower shall pay promptly upon notice from the Lender all reasonable costs and expenses in connection with preparation, printing, execution and delivery of this Agreement and the other Documents to be delivered hereunder, whether or not any Drawdown has been made hereunder, including without limitation, the reasonable fees and out-of-pocket expenses of Lender's Counsel with respect thereto, and with respect to advising the Lender as to its rights and responsibilities under this Agreement and the other Documents to be delivered hereunder and the fees and expenses relating to the granting of participations in the Construction Facility. Except for ordinary expenses of the Lender relating to the day-to-day

administration of this Agreement, the Borrower further agrees to pay within 10 Banking Days of demand by the Lender all reasonable costs and expenses in connection with the preparation or review of waivers, consents and amendments and questions of interpretation of this Agreement and in connection with the establishment of the validity and enforceability of this Agreement and the preservation or enforcement of rights of the Lender under this Agreement and other documents to be delivered hereunder, including, without limitation, all reasonable costs and expenses sustained by the Lender as a result of any failure by the Borrower to perform or observe any of its obligations hereunder.

15.02 Indemnification by the Borrower

In addition to any liability of the Borrower to the Lender under any other provision hereof, the Borrower shall indemnify the Lender and hold the Lender harmless against any reasonable loss or expense incurred by the Lender as a result of:

- (a) any failure by the Borrower to fulfil any of its obligations hereunder including, without limitation, any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by the Lender to fund the Construction Facility as a result of the Borrower's failure to complete a Drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;
- (b) the Borrower's failure to pay any other amount, including without limitation any interest or fee, due hereunder on its due date;
- (c) the provision of funds for any outstanding Letter of Guarantee before the maturity date of such Letter of Guarantee;
- (d) the Borrower's failure to give any notice required to be given by it to the Lender hereunder; or
- (e) the failure of the Borrower to make any other payment due hereunder.

15.03 Interest on Unpaid Costs and Expenses

Unless the payment of interest is otherwise specifically provided for herein, where the Borrower fails to pay any amount required to be paid by it hereunder when due having received notice that such amount is due, the Borrower shall pay interest on such unpaid amount from the time such amount is due until paid at the Interest Rate.

ARTICLE 16

SYNDICATION, PARTICIPATIONS AND ADMINISTRATION OF THE CREDIT FACILITY

16.01 Assignment by Lender

The Lender may, without the prior written consent of the Borrower, but on notice to the Borrower, at any time and from time to time, sell, assign, transfer, pledge, convey, syndicate or otherwise grant an interest the Construction Facility whether directly or by way of securitization and as part of any such transaction such Lender is hereby authorized to provide to prospective participants in such transactions all information received by such Lender regarding the Borrower and the Guarantor and the Project. The Borrower and Guarantors agree to provide any further financial or other information required by the Lender as part of such transactions and a certificate

confirming the status of the Construction Facility and the Project and otherwise to cooperate with the Lender's efforts to do any of the foregoing transaction and to execute all documents reasonably required by the Lender in connection therewith, including without limitation any assignment acknowledgment or collateral agency agreement.

The Lender shall promptly notify the Borrower and the Lender of such sale, assignment, transfer or grant and shall promptly deliver to the Borrower and the Lender a true copy of the assignment evidencing such sale, assignment, transfer or grant, in the form of Schedule L executed by such granting Lender and the assignee Lender, and thereupon the Lender shall have no further obligation hereunder with respect to such interest except in case of a grant to an Affiliate. No such sale, assignment, transfer or grant shall obligate the Borrower to pay (i) any additional amount on account of withholding tax pursuant to Section 11.04 (ii) had been paying or obliged to pay on account of withholding tax pursuant to Section 11.04 or (iii) would have been required to pay pursuant to Section 14.01 on account of any change in Law had such sale, assignment, transfer or grant not taken place.

16.02 Participations

The Lender may at any time, at its own cost and without the consent of or notice to the Borrower, grant one or more participations to banks, financial institutions or other Persons in all or a portion of its rights and obligations under this Agreement provided that the granting of such a participation shall not affect the obligations of the Lender hereunder nor shall it increase the costs to the Borrower hereunder and:

- (a) The Borrower shall be required to deal only and directly with the Lender as if the participation had not occurred;
- (b) The Lender granting the participation is entitled, in its own name, to enforce for the benefit of, or as agent for, any of its participants, all rights, claims and interests of such participants and no participant is entitled to do so on its own behalf; and
- (c) No payment by a participant to the Lender in connection with a participation shall be deemed to be a repayment by the Borrower or a new Construction Facility.

16.03 Participation or Syndication

The Lender and Borrower agree that upon the granting of any participations in the Construction Facility, assignments of a portion of the Construction Facility or syndication of the Construction Facility, the Lender or its designee shall be appointed by the participating lenders as the administrative agent, collateral agent and attorney for all the lenders on the terms and conditions of a participation agreement or agency agreement made among the Lender and all other participating lenders. The Borrower may be required to acknowledge such participation agreement or agency agreement.

ARTICLE 17 GENERAL

17.01 Credit Authorization and Consent to Disclosure

The Lender may collect, retain, release, disclose, exchange, share, transfer and assign from time to time, as it may determine in their sole discretion, all information and materials (including financial statements and information concerning the status of the Construction Facility,

such as existing or potential Events of Default, lease defaults or other facts or circumstances which might affect the performance of the Construction Facility) provided to or obtained by it relating to the Borrower, any Guarantor, the Property, the Project or the Construction Facility (both before and after the disbursement of funds and/or default thereunder) without restriction and without notice to or the consent of any Borrower or Guarantor (and the Borrower and each Guarantor hereby irrevocably consents thereto):

- (a) to any person who has, who acquires, or who proposes to acquire an interest in the Construction Facility or a participation therein;
- (b) to the respective third-party advisors and agents (such as lawyers, accountants, auditors, consultants, appraisers and credit verification sources) of such persons;
- (c) to the public or any group in any offering memorandum, prospectus or other disclosure document relating to any sale, syndication or securitization of the Construction Facility (including all initial and continuing disclosure requirements), regardless of format or scope of distribution;
- (d) to the public or other interested persons, directly or indirectly through information service providers or other market participants, for the purpose of providing market information from time to time relating to the status of the Construction Facility or any related securitization or any interest therein, regardless of format or scope of distribution;
- (e) to any governmental authority having jurisdiction over the Lender or over any sale, syndication or securitization of the Construction Facility or any trade of any interest therein;
- (f) to any other person in connection with the sale, syndication or securitization of the Construction Facility, including insurers and rating agencies; and
- (g) to any other person in connection with the collection or enforcement proceedings taken under or in respect of the Construction Facility.

Without limiting the foregoing, each Borrower and Guarantor hereby consents to the Lender obtaining all information as may be necessary from all available sources as to the creditworthiness of each Borrower or Guarantor and acknowledges that the Lender may collect or come into possession of personal information relating to certain individuals either comprising or otherwise connected with the Borrower or Guarantor which information may include contact information (mailing address, e-mail address, telephone number or fax number), financial information and status (bank account numbers, existing debts, personal net worth or credit history), date of birth, place of employment and social insurance number. Each Borrower and Guarantor acknowledges and agrees that such personal information may be used by Lender in connection with the processing, approving, funding, servicing and administering the Construction Facility and any sale, syndication or securitization of the Construction Facility, and in so doing the Lender may disclose and otherwise deal with personal information in the same manner and to the same persons as provided in the preceding paragraph without restriction and without notice to or the consent of any Borrower or Guarantor or any related individual. Each Borrower and Guarantor for itself and on behalf of its directors, officers, shareholders and principals, hereby consents to and authorizes such use and disclosure of all such personal information by the Lender and represents and warrants that it has full power and authority to give such consent and authorization

17.02 Nature of Obligations under this Agreement

(1) If there is more than one Borrower, all payment and performance obligations of the Borrower existing from time to time under this Agreement, the Security and all other documents related or entered into pursuant hereto and thereto (collectively, the "**Obligations**"), shall constitute joint and several obligations of the all the Borrowers and each of them. Each Borrower expressly represents and acknowledges that it is part of a common enterprise with the other Borrowers and that any advances of the Construction Facility made by the Lender to one or more persons who is a Borrower hereunder are and will be of direct and indirect interest, benefit and advantage to each of the Borrowers. Each Borrower acknowledges that any draw request or other notice or request given by one Borrower to the Lender shall bind each Borrower, and that any notice given by the Lender or its agent to any Borrower shall be effective with respect to all Borrowers. Each Borrower acknowledges and agrees that each Borrower shall be liable, on a joint and several basis, for the Construction Facility and all other Obligations, regardless of which Borrower actually may have received the proceeds of the Construction Facility or other extensions of credit or the amount of such loan received or the manner in which the Lender account among the Borrowers for the Construction Facility advanced, or other extensions of credit on its books and records, and further acknowledges and agrees that Construction Facility and other extensions of credit to any Borrower inure to the mutual benefit of all the Borrowers and that the Lender are relying on the joint and several liability of the Borrowers in extending the Construction Facility hereunder.

(2) The Guarantors jointly and severally with the Borrower, covenant and agree to satisfy all terms, conditions and requirements contained in this Agreement and the Security and each of the Borrower and Guarantors acknowledge and agree that their obligations hereunder, including, without limitation, the obligations to repay the Construction Facility, shall constitute primary obligations and shall be joint and several.

17.03 Notice

Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery or by transmittal by facsimile or other electronic means of communication addressed to the respective parties as follows:

To the Borrower:

Alderbridge Way Limited Partnership
200 – 1778 West 2nd Avenue
Vancouver, BC V6J 1H6
Attention: Samuel Hanson
Email: samhanson@southstreet.ca

With copies to:

Gatland Capital Corporation
760-1040 West Georgia Street
Vancouver, BC V6E 4H1
Attention: Graham Thom
Email: graham@gatlandcapital.ca

To the Guarantors:

To Gatland Capital Corporation:

Gatland Capital Corporation
760-1040 West Georgia Street
Vancouver, BC V6E 4H1
Attention: Graham Thom
Email: graham@gatlandcapital.ca

To South Street Development Managers, South Street (Alderbridge)
Limited Partnership, Samuel David Hanson, and Brent Taylor Hanson:

200 – 1778 West 2nd Avenue
Vancouver, BC V6J 1H6
Attention: Samuel Hanson and Brent Hanson
Email: samhanson@southstreet.ca brenthanson@southstreet.ca

To Rev Holdings Ltd. and Rev Investments Inc.:

Rev Holdings Ltd. and Rev Investments Inc.
28235 Smith Avenue
Abbotsford, BC V4Z 1C7
Attention: Jason Ratzlaff
Email: jason@reinvest.ca

To Romspen Investment Corporation as Lender:

162 Cumberland Street, Suite 300
Toronto, Ontario M5R 3N5
Attention: Blake Cassidy
Email: blakecassidy@romspen.com

With a copy to:

Joel Mickelson
Email: joelmickelson@romspen.com

or to such other address or facsimile number or email address as any party may from time to time notify the others in accordance with this Section 17.03. Any demand, notice or communication made or given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, or, if made or given by email, other electronic means of communication, on the first Banking Day following the transmittal thereof.

17.04 No Criminal Rate of Interest

If any provision of this Agreement would oblige the Borrower, Covenantors or any Person to make any payment of interest or other amount payable to the Lender in an amount or calculated at a rate which would be prohibited by any Applicable Laws or would result in the receipt by the Lender of "interest" at a "criminal rate" (as such terms are defined in the *Criminal Code* of Canada) then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum rate of interest as would not be so prohibited by Applicable

Laws first by reducing the amount of interest paid or required to be paid and second by reducing fees or commissions, expenses or premiums to be paid to the Lender to the extent such would constitute "interest" under Section 347 of the *Criminal Code* of Canada.

17.05 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of the Borrower or any of the Guarantors may be found.

17.06 Benefit of the Agreement

This Agreement shall enure to the benefit of and be binding upon the Borrower, the Guarantors, the Lender and their respective successors and permitted assigns.

17.07 No Assignment by Borrower or Guarantor

None of the Borrower or the Guarantors shall assign its respective rights or obligations hereunder without the prior written consent of the Lender, which consent may be withheld in its sole and absolute discretion.

17.08 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

17.09 Whole Agreement

This Agreement constitutes the whole and entire agreement between the parties hereto and cancels and supersedes any prior agreements, undertakings, declarations, commitments, representations, written or oral, in respect thereof.

17.10 Further Assurances

Each of the parties hereto shall promptly cure any default by it in the execution and delivery of this Agreement, the Documents or of any the agreements provided for hereunder to which it is a party. The Borrower, at its expense, shall promptly execute and deliver to the Lender, upon request, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or accomplishment of the covenants and agreements of the Borrower or the Guarantors hereunder or more fully to state the obligations of the Borrower or the Guarantors set out herein or to make any recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

17.11 Time of the Essence

Time shall be of the essence of this Agreement and the Security.

17.12 Waiver

Any term or condition contained in this Agreement for the benefit of the Lender may be waived in whole or in part by the Lender at any time. No advance, either singularly or collectively, shall constitute a waiver of any of the Borrower's obligations nor obligate the Lender to make further advances under the Construction Facility.

The Lender's failure to insist upon a strict performance of any obligation or covenant of this Agreement by the Borrower or to exercise any option or right herein shall not be a waiver, or relinquishment for the future of such obligation or covenant, option or right, but the same shall remain in full force and effect and the Lender shall have the right to insist upon the strict performance by the Borrower of any and all of the terms and provisions of this Agreement and the Security.

17.13 Counterparts

This Agreement may be executed and delivered in any number of original and electronic counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Any party that executes this Agreement by an electronically-delivered counterpart will deliver an originally signed copy thereof to the Lender within seven days of providing its electronically-delivered counterpart.

17.14 Guarantors

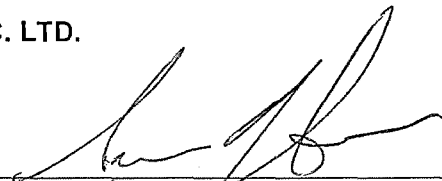
Each of the Guarantors acknowledges and agrees to the terms of this Agreement.

[signatures follow on separate pages]

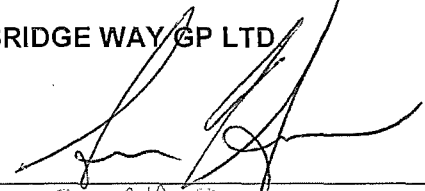
IN WITNESS WHEREOF the parties hereto have executed this Agreement.

THE BORROWER:

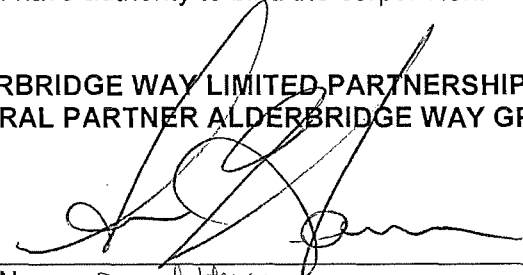
0989705 B.C. LTD.

Per: 
Name: Samuel Hanson
Position: Director
I have authority to bind the corporation.

ALDERBRIDGE WAY GP LTD

Per: 
Name: Samuel Hanson
Position: Director
I have authority to bind the corporation.

**ALDERBRIDGE WAY LIMITED PARTNERSHIP BY ITS
GENERAL PARTNER ALDERBRIDGE WAY GP LTD.**

Per: 
Name: Samuel Hanson
Position: Director
I have authority to bind the corporation.

THE LENDER:

ROMSPEN INVESTMENT CORPORATION

Per: _____
Name: WESLEY ROYMAN
Position: DIRECTOR

Per: _____
Name:
Position:

THE GUARANTORS:

GATLAND DEVELOPMENT CORPORATION

Per: _____
Name:
Position:
I have authority to bind the corporation.

REV HOLDINGS LTD.

Per: _____
Name:
Position:
I have authority to bind the corporation.

REV INVESTMENTS INC.

Per: _____
Name:
Position:
I have authority to bind the corporation.

THE LENDER:

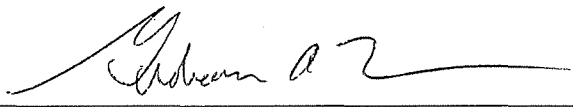
ROMSPEN INVESTMENT CORPORATION

Per: _____
Name:
Position:

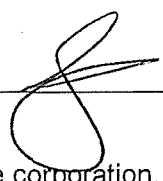
Per: _____
Name:
Position:

THE GUARANTORS:

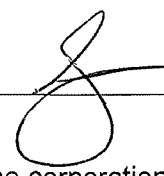
GATLAND DEVELOPMENT CORPORATION

Per:  _____
Name: *Graham Thom*
Position: *Director*
I have authority to bind the corporation.

REV HOLDINGS LTD.

Per: _____ 
Name: *Jason Ratzloff*
Position: *Director*
I have authority to bind the corporation.

REV INVESTMENTS INC.

Per: _____ 
Name: *Jason Ratzloff*
Position: *Director*
I have authority to bind the corporation.

SOUTH STREET DEVELOPMENT MANAGERS LTD.

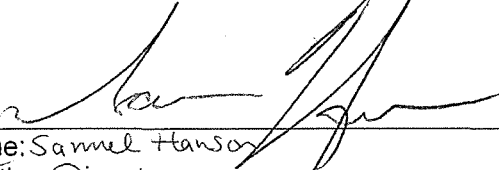
Per: 

Name: Samuel Hanson

Position: Director

I have authority to bind the corporation.

**SOUTH STREET (ALDERBRIDGE) LIMITED
PARTNERSHIP BY ITS GENERAL PARTNER
SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: 

Name: Samuel Hanson

Position: Director

I have authority to bind the corporation.

SIGNED, SEALED AND DELIVERED by in
the presence of:



Signature

Print Name NICHOLAS R. SHON

Barrister & Solicitor

1600 - 925 WEST GEORGIA ST.

Address VANCOUVER, B.C. V6C 3L2

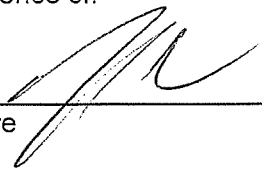
(604) 685-3456

Occupation



SAMUEL DAVID HANSON

SIGNED, SEALED AND DELIVERED by in
the presence of:



Signature

Print Name

Address

Occupation



BRENT TAYLOR HANSON

NICHOLAS R. SHON
Barrister & Solicitor
1600 - 925 WEST GEORGIA ST.
VANCOUVER, B.C. V6C 3L2
(604) 685-3456

SCHEDULE A

LEGAL DESCRIPTION OF PROJECT LANDS

Parcel Identifier 030-721-733

Lot 1 Section 5 Block 4 North Range 6 West New Westminster District Plan EPP86098

SCHEDULE B**LENDER COMMITMENT**

Lender's portion of Construction Loan Commitment Amount:

\$212,000,000 inclusive of the amount advanced under the Existing Loan Facilities.

SCHEDULE C

STANDARD CONSTRUCTION CONDITIONS

1. CONSTRUCTION ADVANCE REQUIREMENTS

All advances shall be made on a cost to complete basis not more frequently than once a month. No advance shall be made until the receipt by the Lender at least five (5) business days prior to the date of each advance of the following documents, in form and substance satisfactory to the Lender, and upon fulfillment by the Borrower of the following conditions precedent, to the entire satisfaction of the Lender

1.1 From the Borrower

- 1.1.1 a written draw request in the form annexed hereto as Schedule D ("**Drawdown Request**") supported with invoices indicating the amount and to whom funds are to be disbursed and confirming *inter alia* that, based on latest estimates, the aggregate amount of the advance and the costs of completion, as itemized, are sufficient to effect completion of the Project pursuant to the Plans and Specifications, the unadvanced portion of the Loan will be sufficient to fully complete the Project and to retire all payables relating to the Project, the costs with respect to which advances pertain are properly incurred in accordance with the Project Budget and that all persons participating in the construction of the Project are in good standing and the Borrower is not in default in payment of any sums to any such parties;
- 1.1.2 a Project expense summary outlining item, budget, cost to date, application of proceeds from the specific request and cost to complete. As indicated herein, the Lender shall not be required to advance funds at any time if it is not satisfied that the undrawn portion of the Loan is sufficient to pay the cost to complete the Project in accordance with the Plans and Specifications. In such event, the Borrower shall be required to pay such additional funds to the Lender to make the undrawn portion of the Loan equal to the cost to complete. In the event that the Independent Cost Consultant is unable to reconcile the Project expense statements as provided by the Borrower, the Lender reserves the right to suspend further advances until the discrepancy has been resolved to the satisfaction of the Lender and the Independent Cost Consultant.
- 1.1.3 billing statements, invoices, etc., from suppliers, architects, etc., to support non-major sub-contract items;
- 1.1.4 a statutory declaration that all accounts payable in respect to the Project for the period thirty (30) days prior to the date of the billing statements have been paid and that the Borrower has received no notice of claim for lien;
- 1.1.5 inspection reports from soil, structural, mechanical and electrical engineers as well as the Payment Certifier (defined in this Schedule C). The Lender hereby retain the right to refuse to advance funds if at any time there is an

adverse material change relating to environmental matters or risk to the Property;

1.1.6 a certificate signed by one senior officer of the Borrower confirming the representations and warranties set out herein and in the Security are true and correct as at the date of such advance as though made on that date.

1.2 From the Independent Cost Consultant a certificate to the effect that:

1.2.1 all construction work completed to date is in accordance with the Plans and Specifications and has been completed in a good and workmanlike manner;

1.2.2 that construction work is progressing in accordance with the Construction Schedule;

1.2.3 that portion of the Borrower's Drawdown covering direct construction costs represents work completed on the Project;

1.2.4 the unadvanced portion of the proceeds of the Loan is sufficient to complete the Project.

1.3 From a payment certifier as defined in the relevant provincial construction or builders' lien legislation (the "Act", the "Payment Certifier")

A draw certificate confirming and setting out *inter alia* the completion of work to date and compliance with applicable laws, an accurate statement of account and the amount required to complete the Project.

Such draw certificate shall be substantially in the form annexed to this Agreement as Schedule E ("**Draw Certificate**").

1.4 Other

1.4.1 an update of the opinion from the Lender's counsel, as of the date of each Drawdown Request, on the state of the title of the Property and of the property related thereto or used in connection with the operation thereof; such opinion shall confirm *inter alia* that the Borrower is the registered owner of the Property and such other property by good and valid title, free and clear of charges and encumbrances, other than Permitted Encumbrances, that there are no adverse filings concerning the Borrower with any applicable governmental authority which could affect the Security and all other matters with respect to which such counsel is acting on the Lender's behalf;

1.4.2 all conditions precedent to the first advance to be made have been fulfilled to the satisfaction of the Lender, including without limitation, receipt and approval by the Lender of all new binding offers to lease and leases;

1.4.3 such other documents and matters as the Lender may reasonably consider necessary or incidental to the foregoing Drawdown Request and Draw Certificate.

1.5 Reductions to Advances

The Lender shall be entitled to reduce each advance of funds by an amount required to meet holdback requirements pursuant to the Act, and also to ensure that the undrawn portion of the Loan is sufficient to fully complete the Project in accordance with Plans and Specifications.

1.6 Disbursement of Loan Proceeds

The Lender is hereby irrevocably authorized and directed to pay, in its sole and absolute discretion, the net proceeds of each and every construction advance to its counsel in trust or directly to the contractors who have actually performed work on the Property, provided, however, that the Lender agree that progress draws may include payments to the Borrower for the Borrower's direct labour costs relating to the Project

1.7 Borrower's Segregated Account

The Borrower shall be required to maintain a segregated bank account to receive all advances made on account of the Loan. The Borrower acknowledges and agrees that the Lender's counsel shall only be required to advance proceeds of the Loan by depositing the same to such segregated bank account unless otherwise agreed to in writing by the Lender.

2. **APPOINTMENT OF PROJECT INDEPENDENT COST CONSULTANT**

2.1 The Borrower acknowledges and agrees that the Lender will retain the Independent Cost Consultant, at the Borrower's expense, to review and comment on the estimated Project costs and to provide his written report on the Project Budget and monthly progress draw requests, all of which must be satisfactory to the Lender prior to any construction draw advances, at its sole and absolute discretion.

Prior to the first advance, the Independent Cost Consultant shall the Plans and Specifications, the Project Budget, the Construction Schedule, all cash flow projections and any other relevant material related to the Project.

Based on the foregoing, the Independent Cost Consultant shall supply to the Lender, at the time of his initial Project Budget review, his written professional opinion with regard to the following:

2.1.1 completeness of the Plans and Specifications;

2.1.2 compliance with building codes and zoning regulations and that all approvals, authorizations, permits and licences for the development and construction of the Project to comply with all applicable zoning, development and construction by-laws, regulations and decrees of all

- authorities having jurisdiction have been obtained or will be issued, as and when required by law;
- 2.1.3 acceptance of design criteria;
 - 2.1.4 adequacy of the structural, electrical, and mechanical systems;
 - 2.1.5 adequacy of the Project Budget;
 - 2.1.6 completion and acceptability of fixed price contracts covering the cost of all contractors, trades and suppliers. Said contracts shall include a provision for performance, material and labour bonding of not less than fifty (50%) percent of the stated contract amount. The acceptability of the said contracts shall be at Lender's sole discretion;
 - 2.1.7 acceptability of the survey, plot plan, environmental report and soil report; and
 - 2.1.8 other pertinent aspects which in the Independent Cost Consultant's opinion should be known to the Lender.
- 2.2 At least once a month the Independent Cost Consultant shall make a site inspection, and will submit a report (the "**Monthly Report**") to the Lender commenting upon:
- 2.2.1 the progress of construction;
 - 2.2.2 any deficiencies noted during the inspection;
 - 2.2.3 conformance with the Approved Plans for work in place;
 - 2.2.4 adherence to the Construction Schedule;
 - 2.2.5 other pertinent aspects of the Project, which, in the Independent Cost Consultant's opinion, should be known to the Lender;
 - 2.2.6 acceptability of the Borrower's soft cost budget as submitted and evaluate the reasonableness thereof.
- 2.3 For each advance, the Independent Cost Consultant shall certify that the Construction General Contractor's requisition for funds represents work completed on the Project less the required construction lien holdback for which payment has not been received; and that the work to be completed does not exceed the amount of the undisbursed portion of the Loan.
- 2.4 The Independent Cost Consultant will request and review and the Borrower shall make available, actual cancelled cheques for costs paid on previous Drawdowns and the Independent Cost Consultant shall report back to the Lender on status of

payment to the various trades. This review is to take place every two to three months.

- 2.5 The expense of the Independent Cost Consultant's reports shall be paid by the Borrower and may be deducted by the Lender from the loan proceeds.

3. **OTHER OBLIGATIONS OF THE BORROWER**

- 3.1 During the Term of the Loan, the Borrower will:
- 3.1.1 request the Lender' approval to: a) each and every engineering and change notice or any variation from plans and budgets for the Project in excess of One Hundred Thousand Dollars (\$100,000.00) or 5% of the total budget each, whichever is lower; b) to each and every change notice or variation over and above aggregate changes and variations totalling One Hundred and Fifty Thousand Dollars (\$150,000.00) or 7.5% of the total budget, whichever is lower; c) to any change whatsoever which may have the effect of changing the use or purpose of the development approved by the Lender pursuant hereto;
 - 3.1.2 promptly remove any encumbrance, lien or charge against the Project and in any event within fifteen (15) days of written notice by the Lender;
 - 3.1.3 request funds solely for the Project;
 - 3.1.4 allow the Lender and its Independent Cost Consultant to have access to the Project at all times;
- 3.2 Subject to applicable provincial regulation, upon substantial performance (as provided for and contemplated in the Act), the Borrower will obtain a certificate of substantial performance in prescribed form from the Payment Certifier and shall publish notice of substantial performance in a construction trade newspaper as required by the Act and shall supply the Independent Cost Consultant and the Lender with copies of the certificate and the publication.

Substantial completion advances will occur:

- 3.2.1 not less than forty-five (45) days after a certificate or declaration of
- 3.2.2 substantial performance has been published. On projects, which are phased, such advances shall occur not less than forty-five (45) days after substantial performance of the entire Project (all phases) unless the Borrower has let separate contracts for each phase;
- 3.2.3 provided no liens are registered on title or notified to the Lender;
- 3.2.4 provided final as-built drawings are confirmed by the authority having jurisdiction to be in compliance in all respects,
- 3.2.5 provided a completed "as built" survey of the Project approved by the requisite regulatory authority is delivered to the Lender;

- 3.2.6 provided final tenant estoppel certificates from all tenants for whom estoppel certificates are required pursuant to this Agreement acknowledging that the tenant is in possession and paying rent and confirming landlord's compliance with all terms of the lease, are delivered to the Lender;
- 3.2.7 provided evidence of "all risk" permanent insurance in form and content satisfactory to the Lender and its insurance consultant is delivered to the Lender;
- 3.2.8 upon the Lender receiving satisfactory evidence of the property being leased-up with tenants in occupancy and paying rent so as to provide net operating income from rentals sufficient to provide a minimum debt service coverage, as calculated by the Lender, of one point twenty-five (1.25) times;
- 3.3 Each and every obligation contained in this Agreement and to be performed,
- 3.4 satisfied, or furnished by the Borrower, is a condition precedent to the Lender' obligation to advance or to continue to make advances. In the case of any advance, all conditions precedent pertaining to the advance must be performed or satisfied to the Lender' satisfaction not less than five (5) business days prior to the scheduled date of the advance or the Lender shall be under no obligation to make the advance or any further advances.

4. **COST TO COMPLETE**

The Lender shall not be required to make any advance unless prior to making such advance, the Lender are satisfied that the unadvanced portion of the Loan will be sufficient to pay the cost to complete the Project. Where insufficient unadvanced funds remain, the Borrower shall be required to pay such additional funds to the Lender so as to make the unadvanced portion of the Loan equal to the cost to complete.

5. **BUDGETED COSTS**

Approval for the Loan is based upon projected budget costs as presented to and approved by the Lender in the Project Budget. Any material changes to these costs may, at the Lender' option, render this Agreement null and void.

6. **COST OVERRUNS**

The Borrower agrees to inform the Lender of any cost overrun as compared with the approved Project Budget. All cost overruns will be funded by the Borrower at the time they are incurred unless approved by the Lender, in their sole option, to be funded from the contingency reserve in the Project Budget, but in any event on a monthly basis.

7. **INTEREST RESERVE AND CAPITALIZATION OF INTEREST**

The interest reserve portion of the Project Budget is calculated on the basis of interest commencing from the date of the first advance, and does not provide for interest carrying costs for the Project prior to that date. Such prior carrying costs will not be paid as part of

the first advance, unless previously agreed upon in writing by the Lender, and will be the responsibility of the Borrower. The Lender reserve the right, at their sole discretion, to stop advancing from the interest reserve account in the event of any default under the terms of this Agreement or in the event of construction delays or cost overruns.

The Lender shall have the right at their sole option to capitalize any interest owing from time to time and to add same to the principal amount of the Loan and to treat it as part thereof and charge interest thereon. Such capitalized interest and interest thereon shall at all times be secured under the Security granted by the Borrower to the Lender pursuant to this Loan in first priority in the same manner as accrued interest. The Lender at their sole option shall have the right to treat such capitalized interest as principal or accrued interest.

8. REPORTS

The Borrower is required to provide, no later than 10 (ten) business days prior to the Date of the first advance:

- 8.1 a favourable geotechnical report prepared by the Project's engineers addressed to the Lender attesting to the satisfactory nature of the soil condition to support the buildings contemplated for the Project together with a letter of transmittal relating thereto in favour of the Lender a copy of such report shall be forwarded by the Borrower to the Independent Cost Consultant for his review;
- 8.2 a detailed construction budget, including soft costs, in form, detail and content satisfactory to the Lender setting forth the cost to complete the Project Budget;
- 8.3 a favourable report on the Project Budget by the Independent Cost Consultant acceptable to the Lender certifying, to the satisfaction of the Lender, the adequacy of the Project Budget for the purpose of completing construction of the Project and such other matters as contemplated by herein;
- 8.4 the final plans and specifications for the Project as approved by the municipality must be submitted to and approved by the Lender and verified against the Project Budget by the Independent Cost Consultant and found satisfactory to the Lender;
- 8.5 a monthly construction schedule (the "**Construction Schedule**") and a cash flow projection for the Project which shall forecast the amount and timing of the draw requests must be submitted to and approved by the Lender.

SCHEDULE D

DRAWDOWN REQUEST

TO: ROMSPEN INVESTMENT CORPORATION (the "Lender") as Lender

PROJECT:

LOCATION:

FILE:

ADVANCE NO.:

The undersigned [INSERT BORROWER NAME] (the "**Borrower**") hereby requests from the Lender an advance in the amount of _____ Dollars (\$_____) on the ____ day of _____, 20____ pursuant to the terms of the charge/mortgage dated the ____ day of _____, 20____, between the Borrower and the Lender (the "**Loan Agreement**"). Unless the context otherwise requires, the capitalized terms used herein shall have the same meaning as such terms are defined by the Loan Agreement.

The Borrower hereby represents, certifies and guarantees to the Bank as follows:

1. the representations and warranties contained in Section 10.01 of the Loan Agreement are true and accurate in all respects as of the date hereof as though made on and as of the date hereof;
2. all covenants of the Borrower contained in the Loan Agreement and all conditions precedent to a Drawdown have been complied with;
3. the contents of this certificate and each appendix hereto are accurate and complete in all respects;
4. construction of the Project is progressing satisfactorily so as to ensure its timely completion in accordance with the Construction Schedule;
5. the requirements of any applicable real property lien legislation, including, where applicable, the administration of any holdback accounts, are being met and nothing has occurred subsequent to the date of the Credit Agreement which has resulted or may result in the creation of any lien or legal hypothec, charge or encumbrance upon the premises or any part thereof or which has or may substantially and adversely impair the ability of the Borrower to make all payments of principal and interest under the Credit Agreement or which has or may substantially and adversely impair the financial standing of any guarantor(s) of the obligations of the Borrower under the Credit Agreement or any security agreement given in connection therewith. All amounts to be retained by the Borrower in respect of Holdbacks have been paid into the appropriate Holdback account;
6. any and all funds received from the Lender previously as advances under the Loan Agreement have been expended or are being held in trust solely for the purpose for which they were advanced; no item of construction costs previously certified to the Lender with

a request for advance remains unpaid as of the date hereof; and no part of said funds has been nor any part of the funds to be received pursuant to this request for advance shall be used for any other purposes; further, there are no trade or supplier disputes

7. the builders lien declaration attached hereto as Exhibit A is true and accurate;
8. no Event of Default has occurred or will result from the advance requested by the Borrower pursuant to this request (or would occur but for the requirement that time elapse or notice be given or both);
9. Appendix "A" hereto contains an accurate representation in respect of the Project expenses referred to therein (paid and unpaid), of the amount budgeted for each such expense in the Project Budget, its costs to date, including a breakdown between hard and soft costs, as compared to the Project Budget, the amount to be advanced pursuant to this request which is to be applied to such expense, the holdback related to each such expense and the cost to complete the Project with respect to such expense;
10. the full amount requested hereunder is required by the Borrower to pay, and shall be used by the Borrower, to pay for services actually rendered and for materials actually required and affixed to and incorporated into the Project in connection with the construction of the Project pursuant to the Mortgage Loan Agreement, the costs of which services and materials are reflected in the billing statements, vouchers and/or invoices from each supplier, contractor or subcontractor which has billed the Borrower in respect of the Project (copies of which statements, vouchers and/or invoices are attached hereto) and each contractor has executed the form of certificate annexed as Appendix "C";
11. the aggregate amount of this advance and the costs of completion of all items of expenses set out in Appendix "A" are sufficient to effect completion of the Project pursuant to the Approved Plans and to pay for all labour, material and other expenses in connection therewith;
12. all contractors, sub-contractors, suppliers of material, suppliers of services and other persons participating in the construction of the Project are in good standing and the Borrower is not in default in the payment of any sums to such parties or fulfillment of any of its obligations with respect thereto;
13. as of the date hereof, there remain sufficient funds undrawn under the Loan of Romspen Investment Corporation to defray all costs required to complete the Project in accordance with the Approved Plans and the Project Budget;
14. all funds previously advanced by the Lender to the Borrower under the Loan have been utilized by the Borrower to pay for all costs incurred with respect to the development and construction of the Project [OPTION: other than the sum of _____ Dollars (\$_____) which was used to finance the purchase of the Property];
15. the work of construction of the Project is being effected in accordance with the Construction Schedule approved by the Lender; and

16. there has occurred no change in any part of the Project Budget, except those set forth in Appendix "B" annexed hereto.

DATED the ____ day of _____, 20 ____.

BORROWER(S)

Per:

Name:
Title:

Per:

Name:
Title:

I/We have authority to bind the corporation

EXHIBIT A

BUILDERS LIEN OFFICERS
DECLARATION AND DIRECTION TO PAY

TO: Romspen Investment Corporation ("Lender")	BORROWER:	("Borrower")
ADVANCE NO:	PROJECT: [Name]	("Project")
CERTIFICATE DATE: [Date]	COMPLETION DATE: [Date]	("Completion Date")

1. I, [insert name], of [city, province] am the [title] of the Borrower and I have knowledge of the credit agreement between the Lender and the Borrower dated [Insert date] (the "Credit Agreement") and the security defined therein.
2. The representations and warranties contained in the Credit Agreement and the security are true and accurate in all respects as of the date hereof.
3. The requirements of the applicable real property lien legislation (the "Act") are being met for the Project and nothing has occurred subsequent to the date of the Credit Agreement or the security which has or may result in the creation of any lien, charge or encumbrance on the lands of the Project or any part thereof or which has or may substantially and adversely impair the Borrower's ability to make all payment of principal and interest and all other costs as required by the Credit Agreement or the security or which has or may have or may substantially and adversely impair the financial standing of any guarantor(s) or the Borrower's obligations under the Credit Agreement or the security.
4. The Lender is authorized to deduct the following amount(s) from the advance to which this certificate applies and deposit that amount into the holdback account(s) established pursuant to the Act for the Project (the "Project Holdback Account(s)") as follows:

\$[amount] to account no. [insert number] at [name of branch] branch (the "Holdback" or collectively, the "Holdbacks").
5. By holding the amounts the Borrower presently has on deposit in the Project Holdback Account(s) and by depositing the Holdback(s) into the Project Holdback Account(s) as described above, the Borrower is complying with all applicable provisions of the Act relating to holdbacks and holdback accounts.
6. The Borrower acknowledges that the Lender is not in any way responsible for the administration of the Project Holdback Account(s), including, but not limited to such matters as determining the amount of holdbacks required by the Act to be deposited into the Project Holdback Account(s), the number of Project Holdback Account(s) required for the Project or when monies are to be withdrawn from the Project Holdback Account(s) and I further acknowledge that it is solely the Borrower's responsibility to ensure the administration of the Project Holdback Account(s) complies with the requirements of the Act.

7. There are no trade or supplier disputes that the Lender has not been made aware of in writing.
8. All statements contained herein are true, complete and accurate.

Dated at [City], [Province] this [day] day of [month], 200[●].

BORROWER:

Per: _____

APPENDIX "A" TO SCHEDULE D DRAW REQUEST

DATED THE ____ DAY OF _____, 20__

Expenses (hard/soft cost)	Budget (as may be revised)	Paid	Invoiced/Not Paid	Holdback to Date	Costs to Date	Application of Proceeds from this Request	Cost to Complete
Total:							

(Name of Borrower)

Per: _____
(Senior Officer)

**APPENDIX "B" TO SCHEDULE D:
DRAW REQUEST CHANGES IN BUDGET**

APPENDIX "C" TO SCHEDULE D: DRAW REQUEST

CONTRACTOR'S CERTIFICATE

TO:

RE:

In accordance with our construction contract with _____, we confirm we are entitled to receive payment of the sum of _____ Dollars (\$_____) and certify that our invoice and summary of construction items attached hereto is true, complete and accurate and that the work and services covered by this certificate have been completed in accordance with our construction contract, that all items shown on previous requests for advances, if any, and on which payments have been received from the Borrower to ourselves have now been paid to all applicable parties and that in respect thereof, there is no outstanding indebtedness to ourselves or to any of our subcontractors and suppliers of material or other persons engaged by ourselves, save and except _____.

Per: _____

SCHEDULE E
DRAW CERTIFICATE

TO: ROMSPEN INVESTMENT CORPORATION (the "Lender") as Lender

PROJECT:

LOCATION:

FILE:

ADVANCE NO.:

In connection with the construction of the aforesaid Project, we hereby certify that as of the date hereof, and to the best of our knowledge and belief, after having made all inquiries and calculations that:

1. all construction work done and the materials incorporated in the Project to the date hereof are in accordance with the Plans and Specifications previously approved by the Lender and with the Project Budget previously submitted to and approved by the Lender and all such construction work complies with all applicable governmental regulations and requirements;
2. the following is accurate and complete as of the date hereof:

Statement of account: \$ _____

Original amount of the Construction Cost of Project:	\$
Additions to date:	\$
Deductions to date:	\$
Adjusted amount of the Construction Cost of Project:	\$
Value of work completed to date for Construction Cost of Project:	\$
Less 10% holdbacks:	\$
Holdbacks retained:	\$
Amount authorized for Project Costs to date:	\$
Less total amount authorized by previous draw certificates:	\$
Aggregate amount recommended by this certificate:	\$

3. the value of construction work remaining to be effected to complete the Project in accordance with the Plans and Specifications is in the amount of: _____ Dollars (\$_____).

DATED and **SIGNED** in the City of _____, Province of _____, this _____ day of _____, 20____.

BORROWER(S)

Per:

Name:
Title:

Per:

Name:
Title:

I/We have authority to bind the corporation

SCHEDULE F
REPAYMENT NOTICE

TO: ROMSPEN INVESTMENT CORPORATION, as Lender

FROM:

DATE:

This Repayment Notice is delivered to you pursuant to Section 8.01 of the loan agreement (the "**Loan Agreement**") made as of ●, 2019. All defined terms set forth in this Repayment Notice shall have the respective meanings set forth in the Loan Agreement.

1. We hereby give notice of a repayment as follows:

- (a) Date of repayment:
- (b) Loan Type:
- (c) Amount of Payment:

Yours very truly,

BORROWER:

Per:

Name:
Position:

SCHEDULE G

AGENT EXAMINATION OF IDENTIFICATION FORM

BORROWER NAME(S): _____

I, _____ certify that I have personally met with each applicant and examined original copies of at least **two valid and current** identification documents from the list in Appendix A, one of which includes a picture and was issued by a federal, territorial or provincial government, and I **attach a photocopy of both sides of each ID hereto**. I have recorded below the following information for each borrower, guarantor, consenting spouse and/or signing officer:

Borrower #1

LAST NAME	FIRST NAME	SECOND NAME	DATE OF BIRTH	OCCUPATION
IDENTIFICATION TAKEN (specify ID type and number)			EXPIRY	PLACE OF ISSUANCE
IDENTIFICATION TAKEN (specify ID type and number)			EXPIRY	PLACE OF ISSUANCE
THIRD PARTY CERTIFICATION: (initial appropriate box) I hereby certify that I will be the (or one of the) registered owner(s) of the property on closing and: <input type="checkbox"/> the property <u>will not</u> be used by, or on behalf of, or is for the benefit of, a third party OR <input type="checkbox"/> the property <u>will</u> be used by, or on behalf of, or is for the benefit of, a third party.				
POLITICALLY EXPOSED FOREIGN PERSON (PEFP) OFFICIAL CERTIFICATION: (initial appropriate box) I hereby certify that I or members of my family are: <input type="checkbox"/> a Politically Exposed Foreign Person, as defined in Appendix "A" OR <input type="checkbox"/> NOT a Politically Exposed Foreign Person, as defined in Appendix "A".				
BORROWER SIGNATURE:				

Borrower #2

LAST NAME	FIRST NAME	SECOND NAME	DATE OF BIRTH	OCCUPATION
IDENTIFICATION TAKEN (specify ID type and number)			EXPIRY	PLACE OF ISSUANCE
IDENTIFICATION TAKEN (specify ID type and number)			EXPIRY	PLACE OF ISSUANCE
THIRD PARTY CERTIFICATION: (initial appropriate box) I hereby certify that I will be the (or one of the) registered owner(s) of the property on closing and: <input type="checkbox"/> the property <u>will not</u> be used by, or on behalf of, or is for the benefit of, a third party OR <input type="checkbox"/> the property <u>will</u> be used by, or on behalf of, or is for the benefit of, a third party.				
POLITICALLY EXPOSED FOREIGN PERSON (PEFP) OFFICIAL CERTIFICATION: (initial appropriate box) I hereby certify that I or members of my family are: <input type="checkbox"/> a Politically Exposed Foreign Person, as defined in Appendix "A" OR <input type="checkbox"/> NOT a Politically Exposed Foreign Person, as defined in Appendix "A".				
BORROWER SIGNATURE:				

*If the Borrower(s) will be the registered owner of the property on closing which will be used by, on behalf of or is for the benefit of, a third party other than the Borrower(s) named above, particulars of any third party are included in the attached Appendix "B" Third Party Information Form.

The identification provided from the above individuals is current and valid and has been verified by me in accordance with the Proceeds of Crime (Money Laundering) Regulations of Canada.

Signature of Solicitor _____

Name (please print) _____ Date: _____

AGENT EXAMINATION OF IDENTIFICATION FORM

List of Acceptable Identification Documents - Appendix A

Obtain two pieces of identification, at least one of which contains a photograph and is from List A and one piece of identification may be provided from List B.

NOTE: all personal ID taken must be current and original documents to be valid.

List A:

1. Drivers License
2. Passport
3. Valid foreign ID, if equivalent to an acceptable type of Canadian identification document (for example, a valid foreign passport is acceptable). Note: if Foreign ID is taken from someone here in Canada, also look for an Immigration Canada stamp on their passport, a Landed Immigrant form or a non-expired Student Visa.
4. Record of Landing
5. Permanent Resident Card
6. Unexpired Firearms Acquisition Certificate (FAC) or a license — either a Possession Only or a Possession and Acquisition License (PAL) — issued by the Canadian Federal government under the *Firearms Act*.
7. Armed Forces ID issued by the Government of Canada
8. FAST Express Card. The card, issued by the Canadian Border Agency, is used to expedite the delivery of goods back and forth between Canada and the U.S. It includes the borrower's name, date of birth, gender, citizenship, a photo, expiry date and a unique identifier number, and are issued for a five year period
9. Other similar documents such as an Old Age Security Card or a card with the individual's signature and photograph on it issued by the following:
 - The Insurance Corporation of B.C.
 - Alberta Registries
 - Sask. Government Insurance
 - The Dept. of Service Nova Scotia and Municipal Relations
 - The Dept. of Trans and Public Works of the Province of P.E.I.
 - The Dept. of Gov. Services and Lands of the Province of Nfld. Labrador
 - The Dept. of Transportation of the NWT.
 - The Dept. of Community Government and Transportation of the Territory of Nunavut

List B:

1. Birth Certificate (must be issued by a provincial, territorial or federal government. For example, a Birth or Baptismal certificate issued by a church would not be acceptable).
2. Employee identity card with a photograph from an employer well known in the community
3. Signed automated banking machine (ABM) card or client card issued by a member of the Canadian Payments Association *
4. Signed credit card issued by a member of the Canadian Payments Association *
5. Signed Canadian Institute for the Blind (CNIB) client card with a photograph
6. Certificate of Indian Status

*For a list of CPA members, refer to www.cdnpay.ca/membership/member.asp

Notes:

- i) We can use an individual's Provincial Health Card but only if not prohibited by provincial or territorial legislation.
- ii) **Currently Ontario, Manitoba and P.E.I. prohibit use of this card. In Quebec, we can not request to see a client's Health Card, but we may accept it if the client wants to use the Health Card for ID.**
- iii) A Social Insurance Card can be used to verify the ID of the client, but we cannot provide this number to FINTRAC.

Non-Residents Offering Identification:

In these cases, we need to see the original ID or a Notarial Certificate certified by the local Canadian Consulate / Embassy of the applicant's country.

Politically Exposed Foreign Person (PEFP):

A PEFP is a person who is a "senior political figure" any member of a senior political figure's "immediate family", and any "close associate" of a senior political figure.

A **senior political figure** is an individual who holds or has ever held in the past, one of the following offices or positions in or behalf of Canada or a **foreign** country:

- | | |
|---|--|
| o a head of state or government; | o a military general (or higher rank); |
| o a member of the executive council of government or member of a legislature; | o a president of a state owned company or bank; |
| o a deputy minister (or equivalent); | o a head of government agency; |
| o an ambassador or an ambassador's attaché or counselor; | o a judge; or |
| | o a leader or president of a political party in a legislature. |

PEFP's also include the **immediate family members** of any individual described below:

- | | |
|--|--|
| o spouse or common law partner; | o spouse's or common-law partner's mother or father. |
| o child: brother, sister, half-brother or half-sister; | |
| o mother or father; or | |

**AGENT EXAMINATION OF IDENTIFICATION FORM
THIRD PARTY INFORMATION FORM – APPENDIX B**

INFORMATION ABOUT THE THIRD PARTY:	
Personal Information (if applicable):	
Full Name:	
Address:	
City:	Province:
Country:	Postal Code:
Occupation:	Date of Birth
Business Information (if applicable):	
Name of Business:	Nature of Business:
Incorporation Number and Place of Issue:	
Address:	City:
Country:	Postal Code:
Signature of Individual and Name of Firm completing this declaration:	
What is the relationship between the registered owner of the property on closing and the Third Party?	
<input type="checkbox"/> Agent <input type="checkbox"/> Borrower <input type="checkbox"/> Employee <input type="checkbox"/> Friend <input type="checkbox"/> Relative <input type="checkbox"/> Trustee <input type="checkbox"/> Power of Attorney <input type="checkbox"/> Other (specify) _____	
Additional Comments:	

SCHEDULE H**ROMSPEN INVESTMENT CORPORATION
AUTOMATIC MORTGAGE PAYMENT SERVICE
AUTHORIZATION FORM**

To sign up for the Automatic Mortgage Payment Service, simply fill out the form attached, keep a copy for your files, and return the original form with a "void" cheque to ROMSPEN INVESTMENT CORPORATION.

If there are any changes to your regular payment, we will send you a notice at least ten (10) days in advance of your debit. This will give you plenty of time to review the adjustment before your payment. If you wish to make any changes or cancel your Automatic Payment Service you can do so by calling your Account Manager.

Your Automatic Mortgage Payment Service will begin approximately one (1) month after you complete and return the attached form to our office, and will be confirmed by letter from us. All of your account information will be kept confidential.

Pre-Authorized Debit (PAD) Agreement

Loan No. _____

To: **Romspen Investment Corporation** (the "Payee")

This Authorization is provided for the benefit of the Payee and our Financial Institution and is provided in consideration of our Financial Institution agreeing to process debits against our account in accordance with the Rules of the Canadian Payments Association (the "CPA Rules").

INSTRUCTIONS: Please complete all sections to instruct your Financial Institution to make payments directly from your account. Return the completed form with a blank cheque marked "VOID" to the payee below.

BANK ACCOUNT INFORMATION

CUSTOMER (ACCOUNT HOLDER) INFORMATION (Please print)		
Name:		
Mailing Address:		
City	Province	Postal Code:
Telephone Number:		

Deposit Account Number:	Branch Transit Number:
Financial Institution Number:	Chequing Account:
Financial Institution:	Savings Account:
Name:	
Branch Address:	

PRE-AUTHORIZED DEBIT (PAD) PAYEE DETAILS		
Company Name: Romspen Investment Corporation		
Account Number:		
Mailing Address: 162 Cumberland Street, Suite 300		
City: Toronto	Province: Ontario	Postal Code: M5R 3N5
Telephone Number: (416) 966-1100	Fax Number: (416) 966-1161	
E-mail: info@romspen.com		

Account Information: The account that the Payee is authorized to draw upon is indicated above. A specimen cheque available for this account has been marked "VOID" and is attached to this authorization.

Accuracy and Changes in Account Information: By signing this Authorization, we certify that all information contained in this form is accurate and we agree to inform the Payee, in writing, of any change in the information provided prior to the next due date of the PAD.

Valid Signing Authority: We warrant and guarantee that all persons whose signatures are required to sign on this account have signed this agreement below.

Authority to Debit Account: We hereby authorize the Payee to draw on our account indicated above with our Financial Institution, for the following purpose: **Mortgage Payments**

Frequency and Amount of Debits: A debit, in paper, electronic or other form in the amount of \$_____ with a reasonable latitude for adjustments and in no case to exceed \$_____, may be drawn on our account **Monthly** (frequency: Weekly/Monthly/Bi-monthly/sporadic) beginning on _____.

Annual top-ups or adjustments are/not permitted. *If payments are sporadic*, we agree to cooperate with the Payee to pre-authorize the processing of each and every PAD against our account whether authorized verbally or electronically, by use of a password, secret code or such other signature equivalent, as the parties shall agree to constitute valid authorization.

Validation by Processing Financial Institution: We acknowledge our Financial Institution is not required to verify that any purpose of payment for which a PAD was issued has been fulfilled by the Payee or that a PAD has been issued in accordance with the particulars of our Authorization including, but not limited to, the amount, as a condition to honouring a PAD issued by the Payee on our account.

Recourse/Reimbursement: We have certain recourse rights if any debit does not comply with this agreement. For example, we have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD agreement. To obtain more information on our recourse rights, we may contact our financial institution or visit www.cdnpay.ca.

Our Rights of Dispute: We may dispute a Pre-Authorized Debit in accordance with CPA Rules under the following conditions:

1. The PAD was not drawn in accordance with our Agreement; or
2. This Authorization was revoked.

In order to be reimbursed, we acknowledge that a declaration to the effect that either (1) or (2) took place, must be completed and presented to our branch of our Financial Institution up to and including 10 calendar days after the date on which the disputed PAD was posted to our account. We acknowledge that any claim made after 10 business days or for any reason other than the above, is a matter to be resolved solely between the Payee and ourselves.

Acceptance of Delivery of Authorization: We acknowledge that provision and delivery of this authorization to the Payee constitutes delivery by us to our Financial Institution. Any delivery of this Authorization to you constitutes delivery by us.

Cancellation of Arrangement: This Authorization may be cancelled at any time upon notice by us to the Payee at least **30** days prior to the PAD being issued.

Pre-Notification Waiver: We agree with the Payee to waive the requirement under the CPA Rules to receive a written pre-notification prior to each PAD as set out in the Rules.

Contract for Goods or Services: Revocation of this Authorization does not terminate any contract for goods or services that exists between the Payee and us. Our Authorization applies only to the method of payment and does not otherwise have any bearing on the contract for goods or services exchanged.

We understand and agree to this PAD arrangement and to the disclosure of any confidential information to any third parties as may be required to process the PAD in accordance with the CPA Rules.

Dated this ____ day of _____, 20____

Authorized Signatory

Name (please print)

Authorized Signatory

Name (please print)

SCHEDULE J**PERMITTED ENCUMBRANCES****AGAINST TITLE TO THE PROJECT LANDS:****Legal Notations**

1. HOUSING AGREEMENT NOTICE, LOCAL GOVERNMENT ACT, S. 483 SEE CA7160625
2. NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA7379143 FILED 2019-03-05
3. THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL GOVERNMENT ACT, SEE CA7408370
4. ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA) FILED 10.02.1981 UNDER NO. T17084 PLAN NO. 61216

Charges, Liens, and Interests

1. UNDERSURFACE RIGHTS C15336
2. STATUTORY RIGHT-OF-WAY RD87600
3. COVENANT CA7179345
4. PRIORITY AGREEMENT CA7179346
5. COVENANT CA7179347
6. STATUTORY RIGHT OF WAY CA7179348
7. PRIORITY AGREEMENT CA7179349
8. PRIORITY AGREEMENT CA7179350
9. COVENANT CA7179351
10. PRIORITY AGREEMENT CA7179352
11. COVENANT CA7179353
12. STATUTORY RIGHT OF WAY CA7179354
13. PRIORITY AGREEMENT CA7179355
14. PRIORITY AGREEMENT CA7179356

15. COVENANT CA7179357
16. PRIORITY AGREEMENT CA7179358
17. COVENANT CA7179359
18. PRIORITY AGREEMENT CA7179360
19. COVENANT CA7179361
20. PRIORITY AGREEMENT CA7179362
21. COVENANT CA7179363
22. STATUTORY RIGHT OF WAY CA7179364
23. PRIORITY AGREEMENT CA7179365
24. PRIORITY AGREEMENT CA7179366
25. COVENANT CA7179367
26. PRIORITY AGREEMENT CA7179368
27. COVENANT CA7179369
28. PRIORITY AGREEMENT CA7179370
29. COVENANT CA7179371
30. STATUTORY RIGHT OF WAY CA7179372
31. PRIORITY AGREEMENT CA7179373
32. PRIORITY AGREEMENT CA7179374
33. COVENANT CA7179375
34. RENT CHARGE CA7179376
35. PRIORITY AGREEMENT CA7179377
36. PRIORITY AGREEMENT CA7179378
37. COVENANT CA7179379
38. RENT CHARGE CA7179380
39. PRIORITY AGREEMENT CA7179381
40. PRIORITY AGREEMENT CA7179382

41. COVENANT CA7179383
42. PRIORITY AGREEMENT CA7179384
43. COVENANT CA7179385
44. PRIORITY AGREEMENT CA7179386
45. COVENANT CA7179387
46. PRIORITY AGREEMENT CA7179388
47. RENT CHARGE FB519176
48. PRIORITY AGREEMENT FB519177
49. COVENANT CA7379104
50. STATUTORY RIGHT OF WAY CA7379105
51. COVENANT CA7379106
52. COVENANT CA7379107
53. STATUTORY RIGHT OF WAY CA7379108
54. RENT CHARGE CA7379109
55. COVENANT CA7379110
56. COVENANT CA7379111
57. STATUTORY RIGHT OF WAY CA7379112
58. COVENANT CA7379113
59. COVENANT CA7379114
60. COVENANT CA7379115
61. COVENANT CA7379116
62. STATUTORY RIGHT OF WAY CA7379117
63. COVENANT CA7379118
64. COVENANT CA7379119
65. COVENANT CA7379120
66. STATUTORY RIGHT OF WAY CA7379121

67. COVENANT CA7379122
68. RENT CHARGE CA7379123
69. COVENANT CA7379124
70. RENT CHARGE CA7379125
71. COVENANT CA7379126
72. COVENANT CA7379127
73. COVENANT CA7379128
74. COVENANT CA7379139
75. STATUTORY RIGHT OF WAY CA7379140
76. PRIORITY AGREEMENT CA7379141
77. PRIORITY AGREEMENT CA7379142
78. UNDERSURFACE AND OTHER EXC & RES BB3056527
79. PRIORITY AGREEMENT CA7388904
80. PRIORITY AGREEMENT CA7388905
81. PRIORITY AGREEMENT CA7388906
82. PRIORITY AGREEMENT CA7388907
83. PRIORITY AGREEMENT CA7566054
84. PRIORITY AGREEMENT CA7566055
85. PRIORITY AGREEMENT CA7750575
86. PRIORITY AGREEMENT CA7750576
87. PRIORITY AGREEMENT CA7750577
88. PRIORITY AGREEMENT CA7750578

SCHEDULE K
PROJECT BUDGET SUMMARY

SOURCE OF FUNDS

USE OF FUNDS

Project Budget Summary

Project: Atmosphere

Location: Richmond BC

OVERALL PROJECT BUDGET SUMMARY



LENDER: Romspen Investment Corporation
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and
 Alderbridge Way Limited Partnership

GROSS FLOOR AREA: 1,074,784 sf
 PARKADE AREA : 477,997 sf
 NET RESIDENTIAL FLOOR AREA: 611,909 sf
 NET COMMERCIAL FLOOR AREA: 237,222 sf
 TOTAL RESIDENTIAL UNITS: 822 Nr

DIVISION	ELEMENT	BUDGET (\$)	Area Unit Cost (\$/gfa)	Cost / Unit (\$/Unit)	%
1	GENERAL REQUIREMENTS	\$ 21,447,661	\$ 19.96	\$ 26,092	5.6%
2	SITE WORK	\$ 31,191,106	\$ 29.02	\$ 37,945	8.2%
3	CONCRETE	\$ 117,419,345	\$ 109.25	\$ 142,846	30.7%
4	MASONRY	\$ 3,681,000	\$ 3.42	\$ 4,478	1.0%
5	METALS	\$ 6,418,138	\$ 5.97	\$ 7,808	1.7%
6	WOOD & PLASTIC CONSTRUCTION	\$ 3,324,890	\$ 3.09	\$ 4,045	0.9%
7	THERMAL & MOISTURE PROTECTION	\$ 21,557,461	\$ 20.06	\$ 26,226	5.6%
8	DOORS & WINDOWS	\$ 47,145,462	\$ 43.87	\$ 57,355	12.3%
9	FINISHES	\$ 27,832,509	\$ 25.90	\$ 33,859	7.3%
10	SPECIALTIES	\$ 2,163,332	\$ 2.01	\$ 2,632	0.6%
11	EQUIPMENT	\$ 12,433,919	\$ 11.57	\$ 15,126	3.3%
12	FURNISHINGS	\$ 11,975,553	\$ 11.14	\$ 14,569	3.1%
13	SPECIAL CONSTRUCTION	\$ 20,000	\$ 0.02	\$ 24	0.0%
14	CONVEYING SYSTEMS	\$ 7,190,500	\$ 6.69	\$ 8,748	1.9%
15	MECHANICAL	\$ 55,547,508	\$ 51.68	\$ 67,576	14.5%
16	ELECTRICAL	\$ 21,652,296	\$ 20.15	\$ 26,341	5.7%
TOTAL CONTRACT WORK		53.9% \$ 391,000,676	\$ 363.79	\$ 475,670	102.2%
17	VALUE ENGINEERING	\$ (24,333,286)	\$ (22.64)	\$ (29,603)	-6.4%
18	SITE SERVICING WORKS	\$ 15,883,795	\$ 14.78	\$ 19,323	4.2%
19	STAGE 2 CONSTRUCTION COSTS	\$ -	\$ -	\$ -	0.0%
TOTAL CONSTRUCTION BUDGET		52.7% \$ 382,551,185	\$ 355.93	\$ 446,067	100.0%
20	LAND	\$ 128,000,000	\$ 119.09	\$ 155,718	37.3%
21	CONSULTANTS	2.4% \$ 9,000,000	\$ 8.37	\$ 10,949	2.6%
22	DEVELOPMENT	7.5% \$ 28,729,128	\$ 26.73	\$ 34,950	8.4%
23	GOVERNMENT TAXES & LEVIES	11.9% \$ 45,620,186	\$ 42.45	\$ 55,499	13.3%
25	MARKETING	\$ 17,546,340	\$ 16.33	\$ 21,346	5.1%
27	FINANCING	\$ 96,601,959	\$ 89.88	\$ 117,521	28.1%
28	CONTINGENCY	4.7% \$ 17,951,202	\$ 16.70	\$ 21,838	5.2%
TOTAL DEVELOPMENT BUDGET		47.3% \$ 343,448,815	\$ 319.55	\$ 417,821	100.0%
TOTAL PROJECT BUDGET		100.0% \$ 726,000,000	\$ 675.48	\$ 863,888	100.0%

Project Budget Details

Project: Atmosphere

Location: Richmond BC

OVERALL PROJECT - BUDGET DETAILS



LENDER: Romspen Investment Corporation
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and

GFA: 1,074,784 sf

SCHEDULE: 39 mths
 Residential Units: 822 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
DOORS & WINDOWS						
8010	Doors / Frames / Hardware	822	units	4,156.42	3,416,577	
8020	Overhead Doors and Grilles		sum		390,250	
8030	Auto Door Openers		sum		236,000	
8040	Aluminium Windows, Entrances & Storefront		sum		22,097,912	
8050	Residential Aluminium Windows	822	units	25,381.54	20,863,624	
8070	Misc. Glazing / Mirrors	822	units	-	0	
8080	Mirrors	822	units	171.65	141,099	
	Subtotal Doors & Windows	1,074,784	sf	43.87	47,145,462	
FINISHES						
9010	Metal Stud and Drywall	1,074,784	sf	11.56	12,428,818	
9020	Ceramic Tile	822	units	6,543.12	5,378,441	
9030	Painting / Wall Coverings	822	units	3,421.51	2,812,484	
9040	Wood Flooring	822	units	6,444.28	5,297,196	
9050	Carpet	822	units	1,079.16	887,071	
9060	Floor Levelling	1,074,784	sf	0.96	1,028,499	
	Subtotal Finishes	1,074,784	sf	25.90	27,832,509	
SPECIALTIES						
10010	Metal Toilet Compartments	822	units	4.58	3,763	
10020	Lockers	822	units	453.22	372,545	
10030	Washroom Accessories	822	units	130.00	106,860	
10040	Glass Shower Enclosures	822	units	1,228.92	1,010,175	
10050	Louvres and Screens	822	units	20.07	16,500	
10060	Signage	822	units	244.16	200,704	
10070	Postal Boxes	822	units	54.56	44,850	
10080	Closet Shelving	822	units	430.66	354,000	
10090	Fire Place	822	units	42.58	35,000	
10100	Tactile Strips	822	units	13.26	10,900	
10110	Screens	822	units	5.47	4,500	
10120	Toilet Partitions		sum		3,536	
	Subtotal Specialties	1,074,784	sf	2.01	2,163,332	
EQUIPMENT						
11010	Appliances	822	units	14,718.88	12,098,919	
11020	Fall Arrest Equipment	822	units	395.38	325,000	
11030	Loading Dock Equipment		sum		10,000	
	Subtotal Equipment	1,074,784	sf	11.57	12,433,919	
FURNISHINGS						
12010	Residential Casework	822	units	10,600.96	8,713,987	
12020	Stone Countertops	822	units	3,200.45	2,630,770	
12030	Window Coverings	822	units	729.77	599,869	
12040	Entrance Floor Mats and Frames		sum		30,928	
	Subtotal Furnishings	1,074,784	sf	11.14	11,975,553	
SPECIAL CONSTRUCTION						
13010	Public Art		sum		20,000	
	Subtotal Special Construction	1,074,784	sf	0.02	20,000	

Project Budget Details
 Project: Atmosphere
 Location: Richmond BC

OVERALL PROJECT - BUDGET DETAILS



LENDER: Romspen Investment Corporation GFA: 1,074,784 sf SCHEDULE: 39 mths
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Residential Units: 822 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
CONVEYING SYSTEMS						
14010	Elevator		sum		7,190,500	
	Subtotal Conveying Systems	1,074,784	sf	6.69	7,190,500	
MECHANICAL						
15010	Mechanical	1,074,784	sf	48.46	52,080,000	
15021	Fire Protection (Sprinklers)	1,074,784	sf	3.23	3,467,509	
	Subtotal Mechanical	1,074,784	sf	51.68	55,547,508	
ELECTRICAL						
16010	Electrical	1,074,784	sf	20.15	21,652,296	
	Subtotal Electrical	1,074,784	sf	20.15	21,652,296	
VALUE ENGINEERING						
17010	Value Engineering		sum		(8,448,984)	
17020	Potential Value Engineering (MCC)		sum		(3,000,000)	
17030	Negotiation with Trades / VE (Developer)		sum		(12,884,302)	
	Subtotal Value Engineering	1,074,784	sf	(22.64)	(24,333,286)	
SITE SERVICING						
18010	Site Servicing / Letter of Credit		sum		15,883,795	
	Subtotal Site Servicing	1,074,784	sf	14.78	15,883,795	

Project Budget Details

Project: Atmosphere

Location: Richmond BC

OVERALL PROJECT - BUDGET DETAILS



LENDER: Romspen Investment Corporation GFA: 1,074,784 sf SCHEDULE: 39 mths
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Residential Units: 822 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
LAND						
20010	Land Assemble Costs		sum		113,000,000	
20040	Deferred Acquisition Fee		sum		5,000,000	
20050	Appraisal Surplus		sum		10,000,000	
	Subtotal Land	1,074,784	sf	119.09	128,000,000	
CONSULTANTS						
21010	Architect	362.0	\$M	1.1%	4,150,000	
21020	Engineers	362.0	\$M	1.1%	3,925,000	
21030	Consultants - Miscellaneous	21.7	\$M	4.3%	925,000	
	Subtotal Consultants	1,074,784	sf	8.37	9,000,000	
DEVELOPMENT						
22010	AIMCO Penalty Payment	362.0	\$M	1.8%	6,500,000	DM Contract provided
22020	Development Management	602.7	\$M	2.9%	17,415,000	
22030	Insurance/Legal/Accounting		sum		3,402,150	
22040	NHW / HPO Fees	822	units	1,125.30	925,000	
22050	Land Closing Costs	362.0	\$M	0.9%	486,978	
	Subtotal Development	1,074,784	sf	26.73	28,729,128	
GOVERNMENT TAXES AND LEVIES						
23010	Development Cost Charges - Commercial	1,074,784	sf	2.99	3,217,323	
23020	Development Cost Charges - Residential	822	units	17,775.37	14,611,354	
23030	GVS & DD	1,074,784	sf	1.17	1,257,576	
23040	Building Permit Fee		sum		2,626,202	
23050	Rezoning Fees		sum		454,318	
23060	City Planning Fee	822	units	266	218,450	
23070	Public Relations		sum		150,000	
23080	Public Art		sum		559,158	Includes Public Art Bond \$531,560
23090	Contributions		sum		11,795,804	Cocommunity Planning &
23100	City Land Cost		sum		5,230,000	
23110	Property Taxes		sum		5,500,000	
	Subtotal Government Taxes & Levies	1,074,784	sf	42.45	45,620,186	
MARKETING						
25010	Leasing Commissions Office/Rental CIBT		sum		2,750,000	
25020	Market Commissions	822	units	10,701.14	8,796,340	
25030	Marketing	822	units	7,299.27	6,000,000	
	Subtotal Marketing	1,074,784	sf	16.33	17,546,340	
FINANCING						
25010	Financing Fees - Land		sum		6,329,800	
25020	Financing Fees - Construction		sum		12,454,267	
25030	Previous Financing Costs / Interest		sum		28,272,476	
25040	DPI Cost		sum		768,484	
25050	Project Monitoring		sum		50,000	
25060	Interest Reserve Construction		sum		48,726,932	10%
	Subtotal Financing	1,074,784	sf	89.88	96,601,959	
CONTINGENCIES & ALLOWANCES						
26001	Construction Contingency	382.55	\$M	4.7%	17,951,202	
	Subtotal Contingencies	1,074,784	sf	16.70	17,951,202	

Project Budget Summary

Project: Atmosphere

Location: Richmond BC

STAGE 1 BUDGET SUMMARY



LENDER: Romspen Investment Corporation
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and
 Alderbridge Way Limited Partnership

GROSS FLOOR AREA: 849,202 sf
 PARKADE AREA : 477,997 sf
 NET RESIDENTIAL FLOOR AREA: 611,909 sf
 NET COMMERCIAL FLOOR AREA: 237,222 sf
 TOTAL RESIDENTIAL UNITS: 566 Nr

DIVISION	ELEMENT	BUDGET	Area Unit Cost	Cost / Unit	%
	PHASE 1	(\$)	(\$/gfa)	(\$/Unit)	
1	GENERAL REQUIREMENTS	\$ 21,447,661	\$ 19.96	\$ 37,893	7.8%
2	SITE WORK	\$ 31,191,106	\$ 29.02	\$ 55,108	11.4%
3	CONCRETE	\$ 117,419,345	\$ 109.25	\$ 207,455	42.8%
4	MASONRY	\$ 3,681,000	\$ 3.42	\$ 6,504	1.3%
5	METALS	\$ 6,418,138	\$ 5.97	\$ 11,339	2.3%
6	WOOD & PLASTIC CONSTRUCTION	\$ 3,324,890	\$ 3.09	\$ 5,874	1.2%
7	THERMAL & MOISTURE PROTECTION	\$ 21,557,461	\$ 20.06	\$ 38,087	7.9%
8	DOORS & WINDOWS	\$ 47,145,462	\$ 43.87	\$ 83,296	17.2%
9	FINISHES	\$ 27,832,509	\$ 25.90	\$ 49,174	10.1%
10	SPECIALTIES	\$ 2,163,332	\$ 2.01	\$ 3,822	0.8%
11	EQUIPMENT	\$ 12,433,919	\$ 11.57	\$ 21,968	4.5%
12	FURNISHINGS	\$ 11,975,553	\$ 11.14	\$ 21,158	4.4%
13	SPECIAL CONSTRUCTION	\$ 20,000	\$ 0.02	\$ 35	0.0%
14	CONVEYING SYSTEMS	\$ 7,190,500	\$ 6.69	\$ 12,704	2.6%
15	MECHANICAL	\$ 55,547,508	\$ 51.68	\$ 98,140	20.2%
16	ELECTRICAL	\$ 21,652,296	\$ 20.15	\$ 38,255	7.9%
TOTAL CONTRACT WORK		59.5% \$ 391,000,676	\$ 363.79	\$ 690,814	142.5%
17	VALUE ENGINEERING	\$ (24,333,286)	\$ (22.64)	\$ (42,992)	-8.9%
18	SITE SERVICING WORKS	\$ 15,883,795	\$ 14.78	\$ 28,063	5.8%
19	STAGE 2 CONSTRUCTION COSTS	\$ (108,148,014)	\$ (100.62)	\$ (191,074)	-39.4%
TOTAL CONSTRUCTION BUDGET		45.4% \$ 274,403,171	\$ 255.31	\$ 647,822	100.0%
20	LAND	\$ 128,000,000	\$ 119.09	\$ 226,148	38.7%
21	CONSULTANTS	3.0% \$ 8,367,467	\$ 7.79	\$ 14,784	2.5%
22	DEVELOPMENT	8.8% \$ 24,028,714	\$ 22.36	\$ 42,454	7.3%
23	GOVERNMENT TAXES & LEVIES	16.6% \$ 45,620,186	\$ 42.45	\$ 80,601	13.8%
25	MARKETING	\$ 12,630,268	\$ 11.75	\$ 22,315	3.8%
27	FINANCING	\$ 96,601,959	\$ 89.88	\$ 170,675	29.2%
28	CONTINGENCY	5.6% \$ 15,348,236	\$ 14.28	\$ 27,117	4.6%
TOTAL DEVELOPMENT BUDGET		45.2% \$ 330,596,829	\$ 307.59	\$ 584,093	100.0%
TOTAL PROJECT BUDGET		90.6% \$ 605,000,000	\$ 562.90	\$ 1,231,916	100.0%

Project Budget Details
 Project: Atmosphere
 Location: Richmond BC

STAGE 1 - BUDGET DETAILS



LENDER: Romspen Investment Corporation GFA: 849,202 sf SCHEDULE: 39 mths
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Residential Units: 566 nr Retail Units: 0 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
GENERAL REQUIREMENTS						
1010	Initial General Conditions	39	mths	11,871.79	463,000	
1020	Progressive General Conditions	39	mths	538,068.23	20,984,661	
Subtotal General Requirements		849,202	sf	25.26	21,447,661	
SITE WORK						
2010	Soil Densification		sum		2,400,000	
2020	Cutoff Wall		sum		7,390,832	
2030	Sediment Control		sum		228,680	
2040	Dewatering		sum		3,216,986	
2050	Bulk Excavation	177,036	cuyd	55.82	9,882,252	
2060	Holddown Anchors		sum		1,662,800	
2070	Detail Excavation/Grading/Backfill/Trenching		sum		590,747	
2080	SOG Prep		sum		342,327	
2090	Anchors		sum		811,007	
2100	Site Services/In-ground Concrete/Drainage		sum		150,000	
2110	Landscape		sum		1,483,362	
2120	Landscape/Hardscape		sum		3,032,113	
Subtotal Sitework		849,202	sf	36.73	31,191,106	
CONCRETE						
3010	Crane Erection, Pad & Services incl. Rebar		sum		135,612	
3020	Concrete Structure	1,327,199	sf	58.89	78,161,222	
3030	Reinforcing	1,327,199	sf	29.48	39,122,511	
Subtotal Concrete		849,202	sf	138.27	117,419,345	
MASONRY						
4010	Masonry	477,997	sf	7.70	3,681,000	
Subtotal Masonry		849,202	sf	4.33	3,681,000	
METALS						
5010	Metal Fabrications		sum		2,265,640	
5020	Railings	566	units	7,336.57	4,152,498	
Subtotal Metals		849,202	sf	7.56	6,418,138	
WOOD & PLASTICS						
6010	Rough Carpentry		sum		768,729	
6020	Rough Carpentry - Materials		sum		38,971	
6030	Finish Carpentry	566	units	3,407.01	1,928,369	
6050	Architectural Woodwork		sum		588,822	
Subtotal Wood & Plastics		849,202	sf	3.92	3,324,890	
THERMAL & MOISTURE PROTECTION						
7010	Cementitious Waterproofing		sum		829,980	
7020	Foundation Waterproofing	159,332	sf	13.20	2,102,688	
7030	Spray Insulation		sum		337,386	
7040	Firestopping		sum		53,190	
7050	Traffic Coating / Pedestrian Coating / Sealants		sum		965,690	
7060	Metal Panels		sum		4,438,879	
7070	Roofing	477,997	sf	9.90	4,732,595	
7080	Pedestrian Coatings		sum		561,500	
7090	Roof Hatch		sum		20,000	
7100	Terracotta		sum		7,351,086	
7110	Expansion Joints		sum		76,268	
7120	Joint Sealants		sum		88,200	
Subtotal Thermal & Moisture		849,202	sf	25.39	21,557,461	

Project Budget Details

Project: Atmosphere

Location: Richmond BC

STAGE 1 - BUDGET DETAILS



LENDER: Romspen Investment Corporation GFA: 849,202 sf SCHEDULE: 39 mths
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Residential Units: 566 nr Retail Units: 0 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
DOORS & WINDOWS						
8010	Doors / Frames / Hardware	566	units	6,036.36	3,416,577	
8020	Overhead Doors and Grilles		sum		390,250	
8030	Auto Door Openers		sum		236,000	
8040	Aluminium Windows, Entrances & Storefront		sum		22,097,912	
8050	Residential Aluminium Windows	566	units	36,861.53	20,863,624	
8070	Misc. Glazing / Mirrors	566	units	-	0	
8080	Mirrors	566	units	249.29	141,099	
	Subtotal Doors & Windows	849,202	sf	55.52	47,145,462	
FINISHES						
9010	Metal Stud and Drywall	849,202	sf	14.64	12,428,818	
9020	Ceramic Tile	566	units	9,502.55	5,378,441	
9030	Painting / Wall Coverings	566	units	4,969.05	2,812,484	
9040	Wood Flooring	566	units	9,359.00	5,297,196	
9050	Carpet	566	units	1,567.26	887,071	
9060	Floor Levelling	849,202	sf	1.21	1,028,499	
	Subtotal Finishes	849,202	sf	32.77	27,832,509	
SPECIALTIES						
10010	Metal Toilet Compartments	566	units	6.65	3,763	
10020	Lockers	566	units	658.21	372,545	
10030	Washroom Accessories	566	units	188.80	106,860	
10040	Glass Shower Enclosures	566	units	1,784.76	1,010,175	
10050	Louvres and Screens	566	units	29.15	16,500	
10060	Signage	566	units	354.60	200,704	
10070	Postal Boxes	566	units	79.24	44,850	
10080	Closet Shelving	566	units	625.44	354,000	
10090	Fire Place	566	units	61.84	35,000	
10100	Tactile Strips	566	units	19.26	10,900	
10110	Screens	566	units	7.95	4,500	
10120	Toilet Partitions		sum		3,536	
	Subtotal Specialties	849,202	sf	2.55	2,163,332	
EQUIPMENT						
11010	Appliances	566	units	21,376.18	12,098,919	
11020	Fall Arrest Equipment	566	units	574.20	325,000	
11030	Loading Dock Equipment		sum		10,000	
	Subtotal Equipment	849,202	sf	14.64	12,433,919	
FURNISHINGS						
12010	Residential Casework	566	units	15,395.74	8,713,987	
12020	Stone Countertops	566	units	4,648.00	2,630,770	
12030	Window Coverings	566	units	1,059.84	599,869	
12040	Entrance Floor Mats and Frames		sum		30,928	
	Subtotal Furnishings	849,202	sf	14.10	11,975,553	
SPECIAL CONSTRUCTION						
13010	Public Art		sum		20,000	
	Subtotal Special Construction	849,202	sf	0.02	20,000	
CONVEYING SYSTEMS						
14010	Elevator		sum		7,190,500	
	Subtotal Conveying Systems	849,202	sf	8.47	7,190,500	

Project Budget Details

Project: Atmosphere

Location: Richmond BC

STAGE 1 - BUDGET DETAILS



LENDER: Romspen Investment Corporation GFA: 849,202 sf SCHEDULE: 39 mths
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Residential Units: 556 nr Retail Units: 0 nr

CODE	ELEMENT	Qty	Unit	Rate	Budget	Remarks
LAND						
20010	Land Assemble Costs		sum		113,000,000	
20040	Deferred Acquisition Fee		sum		5,000,000	
20050	Appraisal Surplus		sum		10,000,000	
	Subtotal Land	849,202	sf	150.73	128,000,000	
CONSULTANTS						
21010	Architect	274.4	\$M	1.4%	3,910,412	
21020	Engineers	274.4	\$M	1.3%	3,584,055	
21030	Consultants - Miscellaneous	274.4	\$M	0.3%	873,000	
	Subtotal Consultants	849,202	sf	9.85	8,367,467	
DEVELOPMENT						
22010	AIMCO Penalty Payment	602.7	\$M	1.1%	6,500,000	
22020	Development Management		sum		12,714,586	
22030	Insurance/Legal/Accounting	822	units	4,138.87	3,402,150	
22040	NHW / HPO Fees	274.4	\$M	0.3%	925,000	
22050	Land Closing Costs	274.4	\$M	0.2%	486,978	
	Subtotal Development	849,202	sf	28.30	24,028,714	
GOVERNMENT TAXES AND LEVIES						
23010	Development Cost Charges - Commercial	849,202	sf	3.79	3,217,323	
23020	Development Cost Charges - Residential	566	units	25,815.11	14,611,354	
23030	GVS & DD	849,202	sf	1.48	1,257,576	
23040	Building Permit Fee		sum		2,626,202	
23050	Rezoning Fees		sum		454,318	
23060	City Planning Fee	822	units	266	218,450	
23070	Public Relations		sum		150,000	
23080	Public art		sum		559,158	
23090	Contributions		sum		11,795,804	
23100	City Land Cost		sum		5,230,000	
23110	Property Taxes		sum		5,500,000	
	Subtotal Government Taxes & Levies	849,202	sf	53.72	45,620,186	
MARKETING						
25010	Leasing Commissions Office/Rental CIBT		sum		2,750,000	
25020	Market Commissions	822	units	4,720.52	3,880,268	
25030	Marketing	822	units	7,299.27	6,000,000	
	Subtotal Marketing	849,202	sf	14.87	12,630,268	
FINANCING						
25010	Financing Fees - Land	274.4	\$M	2.3%	6,329,800	
25020	Financing Fees - Construction		sum		12,454,267	
25030	Previous Financing Costs / Interest		sum		28,272,476	
25040	DPI Cost		sum		768,484	
25050	Project Monitoring		sum		50,000	
25060	Interest Reserve Construction		sum		48,726,932	10%
	Subtotal Financing	849,202	sf	113.76	96,601,959	
CONTINGENCIES & ALLOWANCES						
26001	Construction Contingency	274.40	\$M	5.6%	15,348,236	
	Subtotal Contingencies	849,202	sf	18.07	15,348,236	

Project Budget Summary

Project: Atmosphere

Location: Richmond BC

STAGE 2 BUDGET SUMMARY



LENDER: Romspen Investment Corporation
 BORROWER: 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and
 Alderbridge Way Limited Partnership

GROSS FLOOR AREA: 225,582 sf
 PARKADE AREA: 0 sf
 NET RESIDENTIAL FLOOR AREA: 193,023 sf
 NET COMMERCIAL FLOOR AREA: 0 sf
 TOTAL RESIDENTIAL UNITS: 256 Nr

DIVISION	ELEMENT PHASE 2	BUDGET (\$)	Area Unit Cost (\$/gfa)	Cost / Unit (\$/Unit)	%
1	CONSTRUCTION	\$ 108,148,014	\$ 100.62	\$ 422,453	100.0%
	TOTAL CONSTRUCTION	\$ 108,148,014	\$ 100.62	\$ 422,453	100.0%
20	LAND	\$ -	\$ -	\$ -	0.0%
21	CONSULTANTS	\$ 632,533	\$ 0.59	\$ 2,471	4.9%
22	DEVELOPMENT	\$ 4,700,414	\$ 4.37	\$ 18,361	36.6%
23	GOVERNMENT TAXES & LEVIES	\$ -	\$ -	\$ -	0.0%
25	MARKETING	\$ 4,916,072	\$ 4.57	\$ 19,203	38.3%
27	FINANCING	\$ -	\$ -	\$ -	0.0%
28	CONTINGENCY	\$ 2,602,967	\$ 2.42	\$ 10,168	20.3%
	TOTAL DEVELOPMENT BUDGET	\$ 12,851,986	\$ 11.96	\$ 50,203	100.0%
	TOTAL PROJECT BUDGET	\$ 121,000,000	\$ 112.58	\$ 472,656	100.0%

SCHEDULE L

FORM OF LENDER'S ASSIGNMENT AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

Agreement made as of ● between ● (the "Assignor"), 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Alderbridge Way Limited Partnership. (collectively, the "Borrower") and ● (the "Assignee") pursuant to a credit agreement (the "Credit Agreement") made as of ●, 2019 among the Borrower, Romspen Investment Corporation as Lender for and on behalf of the Lender and Romspen Investment Corporation, as Lender.

The Assignor has agreed to assign and sell to the Assignee all of its right, title and interest in the Loan (the "Assigned Credit Facilities") and the Assignee has agreed to purchase the Assigned Credit Facilities and to assume all obligations of the Assignor in respect thereof.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** Terms with capitalized initial letters used but not expressly defined herein shall have the meanings given to them under the Credit Agreement.
2. **Conveyance of Interest in Credit Facilities.** The Assignor hereby assigns, sells, conveys and transfers to the Assignee all [●] of its interest in and to the Assigned Credit Facilities.
3. **Assumption.** The Assignee hereby accepts and assumes the Assigned Credit Facilities and the Assignee hereby agrees to be bound by the terms and conditions of the Credit Agreement and the other Documents as if it was an original Lender and acknowledges and expressly assumes in the name, place and stead of the Assignor all obligations and liabilities attaching to the Assigned Credit Facilities and agrees to perform the terms, conditions and agreements on its part to be performed as a Lender in respect thereof under the Credit Agreement.
4. **Representation.** The Assignor hereby represents and warrants and the Borrower hereby acknowledges that the outstanding principal amount under the Assigned Credit Facilities is at the date hereof \$●.
5. **Release by the Borrower.** The Borrower hereby acknowledges the release of the Assignor from all obligations and liabilities attaching to the Assigned Credit Facilities and acknowledges the assumption of all such liabilities and obligations by the Assignee.
6. **Assignee's Acknowledgements.** The Assignee hereby acknowledges (i) that it has received a copy of the Credit Agreement and (ii) that it is not entitled to receive any greater payment, on a cumulative basis, under the Credit Agreement than the Assignor would be entitled to receive before the assignment of the Assigned Credit Facilities.
7. **Recognition as Lender.** The parties acknowledge that the Assignee is, by virtue of this agreement, as of and from the date hereof, a Lender under and as defined in the Credit Agreement.

- 8. **Successors, Assigns and Governing Law.** This agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the parties and shall be governed by and construed in accordance with the laws of the Province of British Columbia.

- 9. **Counterparts.** This agreement may be executed and delivered in any number of original and faxed counterparts, each of which shall be deemed an original and which, taken together, shall constitute one and the same instrument, effective as of the date hereof.

[ASSIGNOR]

By: _____
Authorized Signing Officer

[ASSIGNEE]

By: _____
Authorized Signing Officer

BORROWER

[•]

Per: _____
Name:
Position:

Per: _____
Name:
Position:

**ROMSPEN INVESTMENT CORPORATION, as
Lender on behalf of the Lender BORROWER**

Per: _____
Name:
Position:

Per: _____
Name:
Position:

SCHEDULE M

FORM OF SUBORDINATION AND STANDSTILL AGREEMENT

SUBORDINATION AND STANDSTILL AGREEMENT

THIS AGREEMENT made this _____ day of _____, 20_____.

B E T W E E N:

ROMSPEN INVESTMENT CORPORATION
hereinafter called the "PRIOR LENDER"

- and -

hereinafter called the "SUBORDINATE LENDER"

W H E R E A S:

- A. _____ (the "Borrower") is the owner of certain lands and premises known municipally as _____ and more particularly described legally in Appendix "1" attached hereto (the "Lands") together with all personal property (the "Personal Property") located on or arising out of, from or in connection with ownership, use or disposition of the Lands (the said Lands and Personal Property being hereinafter collectively referred to as the "Property");
- B. The Prior Lender has agreed to make or extend a loan or credit facility (the "Loan") to the Borrower in the maximum principal amount of _____ (\$_____) which loan or credit facility is secured by, *inter alia*, the following security:
- (i) a first Charge/Mortgage of Land (the "Charge") relating to the Lands registered in the _____ Land Registry Office for the _____ Registry/Land Titles] Division of _____ as Instrument No. _____.
 - (ii) an Assignment of Rents and Leases relating to the Charge registered as Instrument No. _____; and,
 - (iii) a General Security Agreement securing the Personal Property of the Borrower notice of which was filed on _____, 20____ as Reference File No. _____ pursuant to the *Personal Property Security Act* (British Columbia), as amended (the "PPSA");

All existing and future indebtedness and all other obligations and liabilities owing by the Borrower to the Prior Lender from time to time pursuant to the Loan, including but not limited to the principal sum, all interest thereon, all future advances and all other amounts

owing to the Prior Lender thereunder being hereinafter referred to as the "Prior Indebtedness", and the Charge and all other additional or collateral security now or hereafter securing the Prior Indebtedness being hereinafter referred to as the "Prior Security";

And for greater particularity, reference in this Agreement to the Loan, the Prior Indebtedness and the Prior Security includes all renewals, extensions, amendments, modifications and restatements thereof or thereto from time to time;

C. The Subordinate Lender has made or extended a loan or credit facility (the "**Subordinate Loan**") available to the Borrower in the maximum principal amount of _____ (\$_____) which loan or credit facility is secured by, *inter alia*, the following security:

- (i) a Charge/Mortgage of Land (the "**Subordinate Charge**") relating to the Lands registered in the Land Registry Office for the _____ [Registry/Land Titles] Division of _____ as Instrument No. _____; and,
- (ii) an Assignment of Rents and Leases relating to the Subordinate Charge registered as Instrument No. _____; and,
- (iii) a General Security Agreement securing the Personal Property of the Borrower notice of which was filed on _____, 20____ as Reference File No. _____ pursuant to the PPSA;

All existing and future indebtedness and all other obligations and liabilities owing by the Borrower to the Subordinate Lender from time to time pursuant to the Subordinate Loan, including but not limited to the principal sum, all interest thereon, all future advances and all other amounts owing to the Subordinate Lender thereunder being hereinafter referred to as the "**Subordinate Indebtedness**", and the Subordinate Charge and all other additional or collateral security now or hereafter securing the Subordinate Indebtedness being hereinafter referred to as the "**Subordinate Security**";

And for greater particularity, reference in this Agreement to the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security includes all renewals, extensions, amendments, modifications and restatements thereof or thereto from time to time; and,

D. The Subordinate Lender has agreed to subordinate and postpone the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security to and in favour of the Prior Lender, the Loan, the Prior Indebtedness and the Prior Security.

NOW THEREFORE for good and valuable consideration, including the sum of TEN DOLLARS (\$10.00) now paid by the Prior Lender to the Subordinate Lender, the receipt and sufficiency of which is hereby acknowledged by the Subordinate Lender, the parties agree as follows:

1. **Covenants, Representations and Warranties of the Subordinate Lender.** The Subordinate Lender consents to the Prior Indebtedness and the Prior Security, and represents and warrants to the Prior Lender that:

- (a) the Subordinate Loan and the Subordinate Security are in good standing, in full force and effect, unamended, and the Borrower is not in default thereunder;
- (b) it holds no security of any kind against the Property other than the Subordinate Security;
- (c) it is the sole owner of the Subordinate Loan, Subordinate Indebtedness and the Subordinate Security, it has the full power, lawful authority and legal right to enter into this Agreement and this Agreement constitutes a valid and binding obligation of the Subordinate Lender enforceable against it in accordance with its terms;
- (d) the total amount owing to the Subordinate Lender under the Subordinate Indebtedness and Subordinate Security is \$_____ as of the ____ day of _____, 20____;
- (e) the Subordinate Loan bears interest at _____ (____%) percent per annum (or at the prime rate of _____ (____%) percent from time to time plus _____ (____%) percent, calculated not in advance;

[*ITEM (f) IS OPTIONAL AND ONLY APPLIES TO A NON-ARMS LENGTH LENDER AND WILL BE DELETED IF NOT APPLICABLE]

- (f) the Subordinate Loan represents a shareholders' loan to the Borrower made for the purpose of enabling the Borrower to invest the same as equity for the purchase and/or development of the Property and the Subordinate Security represents the security for such Subordinate Loan; and,
- (g) upon request by the Prior Lender from time to time, the Subordinate Lender shall provide the Prior Lender with copies of the Subordinate Security and/or a statement in detail of the Subordinate Indebtedness then outstanding.

2. **Subordination and Postponement.** The Subordinate Lender hereby subordinates and postpones the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security to the Prior Security and the Prior Indebtedness and agrees with the Prior Lender that the Prior Security shall be a first priority lien and charge against the Property for the full amount of the Prior Indebtedness in full priority to the Subordinate Security. The subordination and postponement of the Subordinate Loan, Subordinate Indebtedness and the Subordinate Security to the Prior Security and the Prior Indebtedness, shall include subordination of the Subordinate Loan and the Subordinate Indebtedness to the extent required to make the Prior Security and the Prior Indebtedness a first priority lien and charge against the Property.

No discharge, release or waiver by the Prior Lender of any of the Prior Security against or in respect of the Property or any person(s), corporation(s) or entity(ies), or any amendment, renewal, extension, replacement, discharge, modification, supplement or restatement of any portion of the Prior Indebtedness and/or the Prior Security shall require notice to or the consent of the Subordinate Lender or otherwise affect the subordination and postponement of the Subordinate Security, the Subordinate Loan and the Subordinate Indebtedness hereby granted by the Subordinate Lender.

[*FOLLOWING PARAGRAPH ONLY APPLIES TO A NON-ARMS LENGTH LENDER AND WILL BE DELETED IF NOT APPLICABLE*]

[As security for the Prior Indebtedness, the Subordinate Lender hereby assigns and transfers the Subordinate Loan, the Subordinate Indebtedness and the Subordinate Security to the Prior Lender. Furthermore, the Subordinate Lender agrees that all moneys received by the Subordinate Lender in payment of the Subordinate Loan and the Subordinate Indebtedness shall be received and held by the Subordinate Lender in trust for the Prior Lender as security for the Prior Indebtedness until the Prior Indebtedness is repaid in full.]

The Subordinate Lender hereby acknowledges and agrees that this Agreement shall not defer or otherwise affect the present or future rights and remedies of the Prior Lender with respect to the present or future indebtedness and other liabilities of the Borrower to the Prior Lender, or with respect to any securities which the Prior Lender now holds or may hereafter receive from the Borrower as collateral for the Prior Indebtedness.

The Subordinate Lender agrees to execute and deliver at its cost, upon request by the Prior Lender, such further instruments and agreements and assurances as may reasonably be required by the Prior Lender in the circumstances in order to confirm and give effect to the provisions of this Agreement, and further, to register, record, amend, file or re-file notice of this Agreement and/or the subordination and postponement of the Subordinate Security in any office of public record as the Prior Lender may in its discretion consider necessary or desirable from time to time.

3. **Payments.** Until such time as the Loan and the Prior Indebtedness are paid in full, the Subordinate Lender agrees that: (i) all rents, revenue, income, cash flow and other proceeds arising from or relating to the Property (the "**Rents**") shall not be applied to any payment on account of the Subordinate Loan or the Subordinate Indebtedness; and, (ii) it shall not accept any payment on account of the Subordinate Loan and/or the Subordinate Indebtedness which the Subordinate Lender knows or reasonably ought to know are payments made from the Rents, and if any such payments are received, the Subordinate Lender shall immediately pay such amount to the Prior Lender. The Prior Lender and the Subordinate Lender shall provide reasonable co-operation to each other following the giving of such notice of default to ensure that the provisions of this paragraph are complied with.
4. **Standstill.** The Subordinate Lender hereby agrees that it shall not take any Enforcement Action (as defined hereunder) under or in respect of the Subordinate Loan, Subordinate Indebtedness or the Subordinate Security with respect to all or any part of the Property or against the Borrower or against any guarantor or covenantor of the Subordinate Loan, without reasonable prior notice to and the written consent of the Prior Lender, which consent may be given or withheld by the Prior Lender in its sole discretion. The Subordinate Lender shall not challenge, contest or bring into question the validity, priority or perfection of the Prior Security or any Enforcement Action taken by the Prior Lender under or in respect of the Prior Security or Prior Indebtedness against all or any part of the Property or against the Borrower or against any guarantor or covenantor of the Subordinate Loan.

In this Agreement the term "**Enforcement Action**" means the commencement of power of sale, foreclosure or other judicial or private sale proceedings, the appointment or

obtaining of the appointment of a receiver, a manager, or a receiver/ manager of all or any part of the Property, or the appointment of any other person, corporation or entity having similar powers as the aforesaid, the attainment of Rents, the taking possession or control of all or any part of the Property or any other property or undertaking of the Borrower, the commencing, giving notice of or making any demand for payment, the provision of any notice of intention to enforce security, the taking or commencement of any action or proceeding seeking payment of or recovery of all or any part of any indebtedness or damages in lieu thereof, the accepting of a transfer of any property in lieu of foreclosure, and/or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, any bankruptcy proceedings.

5. **Assignment by Subordinate Lender.** The Subordinate Lender agrees that it shall not sell, transfer, assign, alienate or otherwise dispose of any interest in the Subordinate Loan, the Subordinate Indebtedness or the Subordinate Security to any person(s), corporation(s) or entity(ties) (hereinafter, an "**Assignee**") except in accordance with terms and conditions which are expressly subject to all of the terms of this Agreement. Concurrently with any such sale, transfer, assignment, alienation or other disposition from time to time, the Subordinate Lender shall cause each and every Assignee to enter into a subordination and standstill agreement with the Prior Lender on the same terms and conditions as this Agreement.
6. **Entire Agreement.** This Agreement and all schedules thereto contains the whole of the agreement between the parties hereto and there are no collateral or precedent conditions, warranties, agreements, representations, promises, understandings or inducements, whether oral or written, that are not specifically set forth herein, and no modification, amendment or variation hereof shall be effective or binding on the parties hereto unless agreed to in writing by all of them.
7. **No Waiver.** The waiver by any party of the breach of any term, covenant or condition herein contained shall not constitute a waiver of such term, covenant or condition, except in respect of the particular breach giving rise to such waiver. No term, covenant or condition of this Agreement is deemed to have been waived by any party hereto unless such waiver is in given in writing by that party.
8. **Severability.** All of the sections, paragraphs, sentences, clauses and parts of this Agreement are distinct and severable, and if any of the same shall be held illegal or void, the validity or legality of the remainder of this Agreement shall not be affected.
9. **Survival of Covenants and Warranties.** The covenants, warranties and representations of the Subordinate Lender contained in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect for the benefit of the Prior Lender until the Loan has been repaid in full.
10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn to the jurisdiction of the courts of this Province sitting at Vancouver, British Columbia.
11. **Successors.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns

including any successors by amalgamation and any appointed receivers or trustees in bankruptcy.

- 12. **Counterparts.** This Agreement may be executed in counterparts and all counterparts so executed will constitute one Agreement binding on the parties effective upon execution by all of the parties.
- 13. **Time Is of the Essence.** Time is of the essence of this Agreement and every part hereof.

IN WITNESS WHEREOF the undersigned have executed this Agreement as of the date first above written.

ROMSPEN INVESTMENT CORPORATION

Per: _____
Name:
Title:

Per: _____
Name:
Title:

[SUBORDINATE LENDER]

Per: _____
Name:
Title:

Per: _____
Name:
Title:

APPENDIX "1" TO SCHEDULE M TO
SUBORDINATION AND STANDSTILL AGREEMENT"

LEGAL DESCRIPTION

MUNICIPAL ADDRESS

SCHEDULE N

FORM OF NON-DISTURBANCE AGREEMENT

THIS AGREEMENT made this _____ day of ●, ●.

BETWEEN:

-, as Lender

(hereinafter called the "Lender")

-and-

●

(hereinafter called the "Tenant")

NON-DISTURBANCE AGREEMENT

WHEREAS:

1. The Lender is the holder of a charge on the parcel of land more particularly described in Schedule "A" attached hereto together with the improvements now or hereafter erected thereon, in Richmond, British Columbia (hereinafter collectively called the "**Property**");
2. The Tenant is the holder of a lease (hereinafter called the "**Lease**") dated the ● day of ●, ● made by ● (hereinafter the "**Lessor**") covering a part of the Property (which part is hereinafter called the "**Leased Premises**");
3. The Lender and the Tenant have agreed to enter into this agreement with respect to the Lease;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants herein contained:

1. The Lender acknowledges and agrees that so long as the Tenant is not in default (beyond any period given under the Lease or by the Lessor to the Tenant to cure such default) in payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on the Tenant's part to be performed and does not prepay rents or other amounts owing under the Lease except as required thereby, the Tenant's possession of the Leased Premises and the Tenant's rights and privileges under the Lease, or any extensions or renewals thereof which may be effected in accordance with any option therefor in the Lease, shall not be diminished or interfered with by the Lender and the Tenant's occupancy of the Leased Premises shall not be disturbed by the Lender for any reason whatsoever during the term of the Lease or any such extensions or renewals thereof including any renewals permitted thereunder.

2. The Tenant covenants and agrees with the Lender that if the Lender becomes a mortgagee in possession or the registered owner of the Property, or if a third party becomes the registered owner of the Property pursuant to foreclosure proceedings then, in any of such events, neither the Lender nor such third party, as the case may be, shall be:
 - (a) liable for any act or omission of any prior landlord (including the present Lessor);
 - (b) bound to give the Tenant any credit for any rent or other payments payable under the Lease, which the Tenant prepays in advance of the due dates, as provided for in the Lease, for the payment thereof; or
 - (c) bound by any amendment or variation to the Lease made without the consent in writing of the Lender.
3. The Tenant covenants and agrees with the Lender that the Tenant:
 - (a) will not prepay any rents reserved under the Lease;
 - (b) will not surrender the Lease to the Lessor nor to any successors of the Lessor except as provided for under the Lease;
 - (c) will not seek to terminate the Lease by reason of any act or omission of the Lessor until the Tenant shall have given written notice of such act or omission to the Lender giving the Lender a reasonable period of time to remedy such act or omission which the Lender may but shall not be obliged to do;
 - (d) will, unless such performance is waived by the Lender, observe and perform all the covenants, terms, conditions, provisos, and agreements in the Lease on the part of the Tenant to be observed and performed; and
 - (e) will, if the Lender becomes a mortgagee in possession (except where the Lender is enforcing its security for short periods to correct defaults of the Landlord) or registered owner of the Property or if a third party becomes the registered owner of the Property as the result of foreclosure proceedings, attorn to and become the tenant of the Lender or such third party, as the case may be, and be bound by the terms of the Lease, and will, at the request of the Lender or such third party, enter into a new lease on the same terms as the Lease for the then remaining term thereof.
4. Any notice or communications given under this agreement shall be in writing and shall be given by prepaid registered mail or by facsimile transmission at the addresses of the parties specified below, or to such other address as may be specified by notice by either party to the other. The addresses for notice shall be as follows:

(a) if to the Lender, to:

•

Facsimile No.:•

Attention: _____

(b) if to the Tenant, to:

•

Facsimile No.:•

Attention: _____

Any such notice may be delivered to the said addresses during an interruption in mail services and ten (10) days thereafter shall be deemed to have been received on the next business day after the delivery thereof. If mailed, such notices shall be deemed to have been given five (5) business days after the same have been mailed anywhere in Canada and, if sent by facsimile transmission, such notice shall be deemed to have been delivered on the next business day.

- 5. This agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.
- 6. This agreement shall be governed by the laws of the Province of British Columbia, and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Lender and the Tenant have hereunto affixed their corporate seals by their duly authorized officers in that behalf as of the day and year first above written.

ROMSPEN INVESTMENT CORPORATION, as Lender

Per: _____
Name:
Title:

Per: _____
Name:
Title:

SCHEDULE "A"

To Form of Non-Disturbance Agreement

The legal description of the Property



SCHEDULE O
UNSOLD UNITS

Available Unit	Retail Area	Net Revenue
30	6,628	\$7,269,900

Available Unit	Floor Plan	Area	Net Revenue
E1002	E2b	853	\$822,388
E1302	E2b	853	\$935,900
E301	Eta	802	\$788,900
F1001	F2a1	893	\$863,192
F1016	F2I	926	\$991,900
F1101	F2a1	893	\$866,712
F1201	F2a1	893	\$988,900
F1202	F2e	889	\$986,900
F1216	F2I	926	\$999,900
F1301	F2a1	893	\$992,900
F1302	F2e	889	\$991,900
F1316	F21	926	\$1,003,900
F1416	F2I	926	\$1,007,900
F702	F2e	889	\$959,900
F801	F2a1	893	\$856,152
F802	F2e	889	\$966,900
F816	F21	926	\$983,900
F901	F2a1	893	\$859,672
F916	F21	926	\$987,900

\$17,855,716

SCHEDULE P

MINIMUM DISCHARGE AMOUNT, PURCHASERS AND DEPOSITS

Residential Units Sold				
Unit	Floor Plan	Area	Minimum Discharge Amount Net Revenue	Deposits
E1001	E2a1	851	\$798,210	\$119,732
E1003	Eta	481	\$472,900	\$70,935
E1004	E1b2	450	\$443,900	\$66,585
E1005	E2f	823	\$763,000	\$114,450
E1006	E2e	912	\$947,593	\$195,380
E1007	Ele	536	\$520,900	\$78,135
E1101	E2a1	851	\$803,610	\$120,542
E1102	E2b	853	\$809,910	\$121,487
E1103	E1a	481	\$470,000	\$70,500
E1104	E1b2	450	\$446,900	\$67,035
E1105	E2f	825	\$774,312	\$116,147
E1106	E2e	912	\$895,000	\$134,250
E1107	E1e	536	\$596,348	\$89,002
E1201	E2a1	851	\$809,010	\$121,352
E1202	E2b	853	\$878,889	\$137,685
E1203	Eta	481	\$572,489	\$89,685
E1204	E1b2	450	\$449,900	\$67,485
E1205	E2f	826	\$779,592	\$116,939
E1206	E2e	912	\$959,233	\$197,780
E1207	Ele	536	\$531,900	\$79,785
E1301	E2a1	851	\$855,508	\$128,326
E1303	E1a	481	\$481,900	\$72,285
E1304	E1b2	450	\$452,900	\$67,935
E1305	E2f	825	\$784,872	\$117,731
E1306	E2e	912	\$907,948	\$226,987
E1307	Ele	536	\$534,900	\$80,235
E1401	E2a1	851	\$868,388	\$217,098
E1402	E2b	853	\$873,908	\$131,086
E1403	E1a	481	\$484,900	\$72,735
E1404	E1b2	450	\$456,900	\$68,535
E1405	E2f	823	\$790,152	\$118,523
E1406	E2e	911	\$922,668	\$138,400
E1407	Ele	536	\$540,900	\$80,685

E302	E2b	853	\$728,910	\$109,337
E303	Eta	481	\$454,872	\$68,231
E304	E1b	481	\$475,468	\$71,470
E305	E1c	595	\$609,063	\$125,580
E306	EF2a-r	634	\$643,013	\$132,580
E307	EF2a-r	635	\$604,348	\$90,652
E318	E2c-r	624	\$643,908	\$128,782
E319	E2c-r	621	\$676,963	\$139,580
E320	E1d1	485	\$473,708	\$71,056
E321	Eld	477	\$463,588	\$69,538
E401	E2a	804	\$729,468	\$109,420
E402	E2b	850	\$732,510	\$109,877
E403	E1a	481	\$508,183	\$104,780
E404	E1b	481	\$505,273	\$104,180
E405	E1c	594	\$616,823	\$127,180
E406	EF2a-r	633	\$621,828	\$93,274
E407	EF2a-r	634	\$620,828	\$93,274
E417	E2c-r	621	\$640,468	\$95,620
E418	E2c-r	625	\$620,468	\$95,211
E419	E2c-r	622	\$672,113	\$138,580
E420	E1d1	487	\$452,232	\$67,835
E421	Eld	480	\$443,432	\$66,515
E501	E2a	806	\$780,753	\$160,980
E502	E2b	853	\$748,510	\$112,277
E503	E1a	481	\$521,763	\$107,580
E504	E1b	481	\$457,900	\$68,685
E505	E1c	594	\$609,868	\$91,480
E506	EF2a-r	633	\$636,548	\$95,482
E507	EF2a-r	634	\$636,548	\$95,482
E517	E2c-r	621	\$672,113	\$138,580
E518	E2c-r	625	\$675,993	\$139,380
E519	E2c-r	623	\$672,113	\$138,580
E520	E1d1	487	\$475,548	\$71,332
E521	Eld	483	\$446,072	\$66,911
E601	E2a	803	\$795,303	\$163,980
E602	E2b	853	\$757,710	\$113,657
E603	E1a	481	\$524,673	\$108,180
E604	E1b	481	\$469,832	\$70,475
E605	E1c	594	\$633,313	\$130,580
E606	EF2a-r	633	\$668,233	\$137,780
E607	EF2a-r	634	\$626,310	\$93,947
E618	E2c-r	622	\$637,468	\$95,620
E619	E2c-r	625	\$679,873	\$140,180

E620	E2c-r	623	\$675,993	\$139,380
E621	E1d1	487	\$457,512	\$68,627
E622	E1d	482	\$448,712	\$67,307
E701	E2a	802	\$804,033	\$165,780
E702	E2b	853	\$850,683	\$174,780
E703	E1a	481	\$463,900	\$69,585
E704	E1b1	495	\$477,900	\$71,685
E705	E2d	649	\$669,810	\$100,022
E706	E2e1	943	\$895,308	\$133,846
E801	E2a	802	\$773,628	\$116,044
E802	E2b	853	\$793,700	\$119,057
E803	E1a	481	\$466,900	\$70,035
E804	E1b2	450	\$436,900	\$65,535
E805	E2f	823	\$758,472	\$113,771
E806	E2e	919	\$880,348	\$132,052
E901	E2a	802	\$817,613	\$168,580
E902	E2b	853	\$799,110	\$119,867
E903	E1a	481	\$558,623	\$115,180
E904	E1b2	450	\$439,900	\$65,985
E905	E2f	825	\$763,752	\$114,563
E906	E2e	919	\$893,228	\$133,984
F1002	F2e	889	\$898,748	\$224,687
F1003	F3c	1031	\$1,034,900	\$258,725
F1004	F3f	1160	\$1,158,188	\$173,728
F1005	EF2a-r	631	\$640,228	\$96,034
F1006	EF2a-r	631	\$640,228	\$96,034
F1007	F2i	860	\$747,032	\$112,055
F1008	F1c3	595	\$572,148	\$85,822
F1009	F1c-r	593	\$572,148	\$85,822
F1010	F1c-r	593	\$569,148	\$85,822
F1011	F1c1	586	\$524,988	\$79,198
F1012	F1a	475	\$541,163	\$111,580
F1013	F1a1	496	\$499,508	\$74,926
F1014	F2j	830	\$838,308	\$120,046
F1015	F2k	680	\$676,108	\$101,416
F1017	F1i	521	\$607,148	\$91,072
F1018	F2d	819	\$888,423	\$183,180
F1102	F2e	889	\$864,072	\$172,814
F1103	F3c	1031	\$1,041,900	\$208,380
F1104	F3f	1160	\$1,218,223	\$251,180
F1105	EF2a-r	631	\$643,908	\$96,586
F1106	EF2a-r	631	\$643,908	\$96,586
F1107	F2i	860	\$746,552	\$111,983

F1108	F1c3	595	\$575,828	\$86,374
F1109	F1c-r	593	\$575,828	\$86,374
F1110	F1c-r	593	\$575,828	\$86,374
F1111	F1c1	586	\$530,748	\$79,612
F1112	Fla	475	\$444,268	\$66,640
F1113	Flal	496	\$467,268	\$70,090
F1114	F2j	830	\$767,032	\$115,055
F1115	F2k	680	\$679,788	\$169,947
F1116	F21	926	\$879,392	\$131,459
F1117	Fli	521	\$572,148	\$85,822
F1118	F2d	819	\$840,788	\$126,118
F1203	F3c	1031	\$1,051,900	\$209,780
F1204	FM	1160	\$1,171,068	\$175,660
F1205	EF2a-r	631	\$710,900	\$142,180
F1206	EF2a-r	631	\$647,588	\$97,138
F1207	F2i	860	\$771,210	\$115,682
F1208	F1c3	595	\$579,508	\$86,926
F1209	F1c-r	593	\$582,508	\$86,926
F1210	F1c-r	593	\$579,508	\$86,926
F1211	Flcl	586	\$533,508	\$80,026
F1212	Fla	475	\$447,028	\$67,054
F1213	Flal	496	\$470,028	\$70,504
F1214	F2j	830	\$772,552	\$115,883
F1215	F2k	680	\$683,468	\$102,520
F1217	Fli	521	\$614,508	\$153,627
F1218	F2d	819	\$844,468	\$126,670
F1303	F3c	1031	\$1,042,268	\$156,340
F1304	F3f	1160	\$1,230,908	\$239,182
F1305	EF2a-r	631	\$651,268	\$97,690
F1306	EF2a-r	631	\$651,268	\$97,690
F1307	F2i	860	\$738,592	\$73,559
F1308	F1c3	595	\$583,188	\$116,638
F1309	F1c-r	593	\$583,188	\$87,478
F1310	F1c-r	593	\$583,188	\$87,479
F1311	Flcl	586	\$571,268	\$85,690
F1312	Fla	475	\$449,788	\$67,468
F1313	Flal	496	\$472,788	\$70,918
F1314	F2j	830	\$776,072	\$116,411
F1315	F2k	680	\$687,148	\$103,072
F1317	Fli	521	\$577,668	\$86,650
F1318	F2d	819	\$905,883	\$186,780
F1401	F2a1	893	\$867,303	\$216,826
F1402	F2e	889	\$880,272	\$131,591

F1403	F3c	1031	\$1,154,203	\$237,980
F1404	F3f	1160	\$1,238,593	\$255,380
F1405	EF2a-r	631	\$691,603	\$141,980
F1406	EF2a-r	631	\$654,948	\$98,242
F1407	F2i	860	\$764,112	\$114,167
F1408	F1c3	595	\$589,868	\$88,030
F1409	F1c-r	593	\$589,868	\$88,030
F1410	F1c-r	593	\$586,868	\$88,030
F1411	F1c1	586	\$574,028	\$86,104
F1412	F1a	475	\$452,548	\$67,882
F1413	F1a1	496	\$478,548	\$71,332
F1414	F2j	830	\$779,592	\$194,898
F1415	F2k	680	\$690,828	\$103,624
F1417	F1i	521	\$621,868	\$93,280
F1418	F2d	819	\$851,828	\$127,774
F301	F2a	901	\$815,948	\$122,392
F302	F2b	674	\$585,028	\$87,754
F303	F1a	478	\$423,108	\$63,466
F304	F1b	529	\$463,588	\$69,538
F305	F1c-r	593	\$527,988	\$79,198
F306	F1c2	598	\$558,502	\$113,980
F307	F1d	569	\$482,908	\$72,436
F401	F2a	900	\$822,388	\$123,358
F402	F2b	673	\$588,708	\$88,306
F403	F1a	478	\$425,868	\$63,880
F404	F1b	526	\$501,348	\$69,952
F405	F1c-r	595	\$531,668	\$79,750
F406	F1c2	597	\$556,683	\$114,780
F407	F1d	565	\$485,668	\$72,850
F408	F2c	888	\$791,310	\$118,247
F409	F3a	1018	\$913,468	\$137,020
F501	F2a	892	\$860,000	\$179,780
F502	F2b	674	\$605,900	\$121,180
F503	F1a	478	\$428,628	\$64,294
F504	F1b	526	\$469,108	\$70,366
F505	F1c-r	595	\$596,988	\$89,548
F506	F1c2	597	\$596,988	\$89,548
F507	F1d	565	\$488,428	\$73,264
F508	F2c	888	\$774,312	\$116,147
F509	F3a	1002	\$921,068	\$137,711
F510	F3b	1140	\$1,022,028	\$153,305
F511	F2d	820	\$831,900	\$166,380
F601	F2a	892	\$793,672	\$119,051

F602	F2b	674	\$599,068	\$89,410
F603	F1a	478	\$509,900	\$101,980
F604	F1b	529	\$580,900	\$116,180
F605	F1c-r	595	\$542,708	\$81,406
F606	F1c2	597	\$625,900	\$125,180
F607	F1d	565	\$509,588	\$76,440
F608	F2c	887	\$777,832	\$116,675
F609	F3a	1002	\$922,668	\$138,400
F610	F3b	1141	\$1,010,000	\$151,500
F611	F2d	820	\$835,900	\$167,180
F701	F2a1	896	\$831,534	\$124,730
F703	F3c1	1032	\$1,037,900	\$206,980
F704	F3d	1026	\$1,114,988	\$107,999
F705	F1e-r	561	\$620,028	\$155,009
F706	F1e-r	562	\$499,468	\$74,920
F707	F2f	784	\$729,468	\$109,420
F708	F1f2	535	\$509,628	\$71,194
F709	F1f-r	534	\$509,628	\$71,194
F710	F1f-r	534	\$565,900	\$113,180
F711	Fill	527	\$474,628	\$71,194
F712	Fig	418	\$491,862	\$100,380
F713	F1h	465	\$428,628	\$64,295
F714	F2g	842	\$850,900	\$212,725
F715	F2h	941	\$882,032	\$131,855
F716	F3e	1010	\$961,308	\$144,196
F717	F2d	818	\$842,900	\$168,580
F803	F3c	1031	\$1,020,900	\$204,180
F804	F3f	1160	\$1,145,308	\$171,796
F805	EF2a-r	631	\$654,962	\$136,180
F806	EF2a-r	631	\$651,743	\$135,180
F807	F2i	860	\$731,000	\$109,650
F808	F1c3	595	\$603,428	\$90,515
F809	F1c-r	593	\$567,788	\$84,718
F810	F1c-r	593	\$646,900	\$129,380
F811	F1c1	586	\$557,468	\$83,620
F812	F1a	475	\$528,900	\$105,780
F813	F1a1	496	\$458,988	\$68,848
F814	F2j	830	\$758,472	\$113,771
F815	F2k	680	\$676,108	\$101,416
F817	F1i	521	\$625,900	\$125,180
F818	F2d	819	\$848,900	\$169,780
F902	F2e	889	\$855,272	\$128,291
F903	F3c	1031	\$1,027,900	\$256,975

F904	F3f	1160	\$1,151,748	\$172,762
F905	EF2a-r	631	\$660,563	\$135,580
F906	EF2a-r	632	\$660,563	\$135,580
F907	F2i	860	\$776,308	\$116,597
F908	F1c3	595	\$652,900	\$129,980
F909	F1c-r	593	\$568,468	\$85,270
F910	F1c-r	593	\$568,468	\$85,270
F911	F1c1	586	\$525,228	\$78,784
F912	Fla	475	\$441,508	\$66,226
F913	Flal	496	\$461,748	\$69,262
F914	F2j	830	\$761,992	\$152,398
F915	F2k	680	\$672,428	\$100,864
F917	Fli	521	\$566,628	\$84,994
F918	F2d	820	\$851,900	\$212,975
Totals			\$177,585,230	\$29,983,549

Retail Units Sold		Minimum Discharge Amount Net	
Unit	Area	Revenue	Deposits
1	3158	\$3,519,900	\$879,975
2	8297	\$8,292,900	\$2,073,225
3	5857	\$6,441,900	\$1,610,475
8	465	\$829,900	\$207,475
9	887	\$1,640,900	\$410,225
10	939	\$1,549,900	\$387,475
11	1116	\$1,897,900	\$474,475
12	1343	\$1,699,900	\$339,980
13	1624	\$1,899,900	\$474,975
14	940	\$1,699,900	\$424,975
15	1112	\$1,745,900	\$436,475
16	1207	\$2,200,000	\$550,000
17	1622	\$2,144,900	\$536,225
18	1687	\$2,199,900	\$549,975
19	2258	\$2,139,900	\$534,885

20	3865	\$5,400,000	\$1,350,000
21	1049	\$1,650,000	\$412,500
22	1066	\$1,709,900	\$427,475
23	1666	\$2,229,900	\$445,980
24	1168	\$1,674,900	\$418,725
25	995	\$1,604,900	\$401,225
26	902	\$1,525,900	\$381,475
27	776	\$1,299,900	\$324,975
28	1582	\$1,898,900	\$474,725
29	2751	\$2,257,900	\$564,475
31	4536	\$6,599,900	\$1,649,975
32	2851	\$3,699,900	\$924,975
33	3694	\$4,649,900	\$1,162,475
Totals	59,413	\$76,105,500	\$18,829,795

SCHEDULE Q
ENGAGEMENT LETTER

SCHEDULE R
CONSULTANT CONTRACTS

This is **Exhibit "J"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Su

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

AMENDED AND RESTATED TERM SHEET

In consideration of the premises and the mutual covenants hereinafter contained and for consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to enter into this Amended and Restated Term Sheet, dated as of August 5, 2021, which amends, restates and replaces the terms and conditions upon which the Lenders:

- (a) advanced \$8,561,014.76 (the “**Initial Advance**”);
- (b) advanced \$13,000,000.00 (the “**First Advance**”) under the Term Sheet (as defined below);
- (c) advanced \$3,100,000.00 (the “**Second Advance**”) under the Term Sheet;
- (d) advanced \$9,205,700 (the “**Third Advance**”) under the Term Sheet;
- (e) advanced \$5,000,000 (the “**Fourth Advance**”) under the Term Sheet;
- (f) advanced \$2,115,000 (the “**Fifth Advance**”) under the Term Sheet; and
- (g) advanced \$2,000,000 (the “**Sixth Advance**”) under the Term Sheet,

and sets out the terms and conditions on which the Lenders (i) advanced \$225,000 (the “**Seventh Advance**”), (ii) will advance up to an aggregate amount equal to \$1,215,000 in several tranches in accordance with the terms herein, including certain payments of up to \$105,000/month, for a period of four months, in accordance with the allocations set out in Schedule B hereof, in accordance with the terms herein (the “**Eighth Advance**”), and (iii) have agreed to advance further Advances (as defined below), subject to the terms and conditions hereof.

This Amended and Restated Term Sheet supersedes and replaces, without novation, the term sheet dated November 7, 2018, as amended by the first amendment to term sheet dated November 26, 2018, as amended and restated by the amended and restated term sheet dated February 15, 2019, as amended and restated by the amended and restated term sheet dated August 8, 2019, as amended and restated by the amended and restated term sheet dated as of November 1, 2019, as amended and restated by the amended and restated term sheet dated as of May 29, 2020 and as amended and restated by the amended and restated term sheet dated as of July 27, 2020 (the “**Term Sheet**”) PROVIDED THAT all security (the “**Security**”) as set out in section 11 plus any other documents previously delivered in connection with any former Term Sheet shall (except to the extent previously discharged or released) be deemed to form a part of the Security and other documents to be delivered in connection with this Amended and Restated Term Sheet.

1. Borrower Alderbridge Way Limited Partnership (the “**Limited Partnership**”), Alderbridge Way GP Ltd. (the “**GP**”) and 0989705 B.C. Ltd. (the “**Nominee**”, together with the Limited Partnership and the GP, the “**Borrower**”), jointly and severally.

2. Lenders 1185678 B.C. Ltd, (the “**Agent**”) as agent for:

- (a) MNB Enterprises Inc., as to:
 - i. \$285,026.61 of the Initial Advance;
 - ii. \$400,000 of the Fifth Advance; and

- iii. up to \$16,800 of the Eighth Advance;
- (b) R. Jay Management Ltd., as to:
- i. \$4,849,538.94 of the Initial Advance;
 - ii. \$9,500,000 of the First Advance;
 - iii. \$3,100,000 of the Second Advance for the Landscape Letter of Credit (as defined below);
 - iv. \$5,000,000 of the Fourth Advance for the project costs of advancing the Project (as defined below) to the point of excavation, except management fees;
 - v. \$400,000 of the Fifth Advance; and
 - vi. up to \$260,400 of the Eighth Advance;
- (c) G. Wong Holdings Inc., as to:
- i. \$285,537.43 of the Initial Advance;
 - ii. \$500,000 of the First Advance;
 - iii. \$300,000 of the Fifth Advance; and
 - iv. up to \$12,600 of the Eighth Advance;
- (d) Gatland Development Corporation, as to:
- i. \$335,926.40 of the Initial Advance;
 - ii. \$110,000 of the Fifth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance;
- (e) REV Investments Inc., as to:
- i. \$2,804,985.38 of the Initial Advance;
 - ii. \$95,000 of the Fifth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance;
- (f) Voth Developments Ltd. as to:
- i. \$1,000,000 of the First Advance;
 - ii. \$200,000 of the Fifth Advance; and
 - iii. up to \$12,600 of the Eighth Advance;
- (g) Inland Consulting Ltd. as to:
- i. \$1,000,000 of the First Advance;
 - ii. \$300,000 of the Fifth Advance; and
 - iii. up to \$16,800 of the Eighth Advance;
- (h) Dennis Schwab and Lesley Schwab as to \$1,000,000 of the First Advance;

- (i) J.V. Driver Investments Inc., as to:
 - i. \$9,205,700 of the Third Advance for the Servicing Letter of Credit (as defined below); and
 - ii. up to \$100,800 of the Eighth Advance; and
- (j) South Street (Alderbridge) Limited Partnership as to:
 - i. \$310,000 of the Fifth Advance;
 - ii. \$2,000,000 of the Sixth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance,

(the corporations, partnerships and individuals set out in subsections 2(a) to 2(j) above are referred to in this Amended and Restated Term Sheet as the “Existing Lenders”, and each individually, an “Existing Lender”. The Existing Lenders, collectively with any funder of a future Advance arranged by the Borrower under Section 3 below, are referred to in this Amended and Restated Term Sheet as the “Lenders”, and each individually, a “Lender”).

The Agent and the Lenders have, on the date hereof, entered into an amended and restated agency agreement (the “Agency Agreement”), and the Lenders, have, on the date hereof, entered into an amended and restated lender agreement (the “Lenders Agreement”), setting forth the respective financial interests of each of the Lenders in and to the Loan and the Security. All amounts set out in this Amended and Restated Term Sheet are in lawful currency of Canada except as expressly set out otherwise.

3. Loan Amount

The Lenders have agreed, subject the terms and conditions of this Amended and Restated Term Sheet, to advance a loan up to the principal amount of \$60,000,000 (the “Loan”) to the Borrower in several advances (together, and including the Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance, the Sixth Advance, the Seventh Advance and the Eighth Advance, the “Advances”). The Borrower, Agent and Lenders agree and confirm that the following Advances have been made as of the date of this Amended and Restated Term Sheet:

- (a) the Initial Advance in the amount of \$8,561,014.76;
- (b) the First Advance in the amount of \$13,000,000;
- (c) the Second Advance in the amount of \$3,100,000;
- (d) the Third Advance in the amount of \$9,205,700;
- (e) the Fourth Advance in the amount of \$5,000,000;

- (f) the Fifth Advance in the amount of \$2,115,000;
- (g) the Sixth Advance in the amount of \$2,000,000;
- (h) the Seventh Advance in the amount of \$225,000,

and that, as at the date of this Amended and Restated Term Sheet, the Agent holds \$105,000 (being the proceeds of the portion of the first tranche of the Eighth Advance referred to in paragraph (a)(i) of Section 5.9 below) to the order of the Borrower, subject only to Section 5.9 below.

Any additional amounts are to be determined and advanced in the sole and absolute discretion of the Lenders.

Notwithstanding any other provisions hereof, the Lenders will not be obligated to make any further Advances under the Loan.

Any further Advances the Lenders elect to make at any time after the Eighth Advance has been fully funded, will be in accordance with the following:

- (i) any proposed Advance will be made by the Lenders to the Agent which will subsequently advance such amount to the Borrower;
- (ii) the Borrower shall provide the Agent with 15 Business Days' notice of the funding of any proposed Advance, such notice to include:
 - (A) the purpose of the proposed Advance (which may include the refinancing of any existing Advance);
 - (B) the funding date of the proposed Advance;
 - (C) the amount of the proposed Advance;
 - (D) the pricing of the proposed Advance;
 - (E) details of the Lenders participating in the proposed Advance; and
 - (F) the amounts of such Lenders' respective participations in the proposed Advance;
- (iii) following the making of any proposed Advance, the aggregate amount of the outstanding Advances does not exceed \$60,000,000;
- (iv) R. Jay Management Ltd., and then any other Existing Lender, shall have the first right of refusal to lend all or part of any additional Advances, which first right of refusal must be exercised within 10 Business Days of the Borrower's request for an additional Advance. In the event that R. Jay Management Ltd. or another Existing Lender or Existing Lenders make

only part of a requested additional Advance or do not participate in any requested additional Advance, the Agent shall have approval over any new Lender(s) (i.e. any Lender that is not an Existing Lender) participating in a proposed Advance, with such approval not to be unreasonably withheld; and

- (v) the Lenders participating in the proposed Advance, to the extent they are not already parties to this Amended and Restated Term Sheet, shall be presented with terms no more favourable than the terms of the current Advances hereunder, and shall, prior to or concurrent with any new Advance, enter into an amended and restated Lenders Agreement, whereby (unless otherwise agreed by the Agent) they agree to rank in payment priority after the Existing Lenders, and shall execute joinders to this Amended and Restated Term Sheet pursuant to which they agree to become parties to this Amended and Restated Term Sheet as "Lenders".

4. Purpose

The Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance and the Sixth Advance were used by the Borrower to pay, in part, fees and a land payment owed to the City, the project costs of advancing the Project, including excavation, except management fees, and the Letters of Credit are a requirement of the City in connection with the proposed mixed-use development (the "Project") of the lands described as 5333 and 5411 No. 3 Road and 7968 Alderbridge Way, Richmond, British Columbia (the "Lands"). The financial obligations of the Borrower to the City in connection with the Project are currently as follows:

- (a) \$11,345,439 in the case of the community facility contribution, childcare payment and demolition security fees;
- (b) \$5,230,000 in the case of the land payment;
- (c) \$3,153,570 in the case of the Landscape Letter of Credit (as defined below); and
- (d) \$8,712,750 in the case of the Servicing Letter of Credit (as defined below).

The City requires a letter of credit or cash equivalent security in the face amount of \$3,153,570 (the "Landscape Letter of Credit") for landscaping and requires a further letter of credit or cash equivalent security in the face amount of \$8,712,750 (the "Servicing Letter of Credit") for site servicing requirements.

The Seventh Advance and the Eighth Advance were or will be used for the purposes of regularizing the cash position of the Borrower and paying for site services, professional fees and other costs in accordance with the cashflow attached as Schedule A (the "Cashflow").

5.1 Initial Advance

The Initial Advance of \$8,561,015.00 was advanced by the Lenders set out in section 2 as noted, to the Borrower on or about September 26, 2018.

5.2 First Advance The First Advance of \$13,000,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower on November 7, 2018. In connection with the First Advance, the Borrower issued a promissory note (originally issued on November 7, 2018 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to the Lenders of the First Advance in the principal amount of \$1,950,000 (the “**First Advance Promissory Note**”).

5.3 Second Advance The Second Advance of \$3,100,000 was advanced by R. Jay Management Ltd. to the Borrower on November 16, 2018. In connection with the Second Advance, the Borrower issued a promissory note (originally issued on November 16, 2018 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to R. Jay Management Ltd. in the principal amount of \$465,000 (the “**Second Advance Promissory Note**”).

The Second Advance was used by the Borrower to pay as a cash equivalent (“**Second Advance Cash Equivalent**”) for, in part, the Landscape Letter of Credit required by the City in connection with the proposed development of the Lands.

For clarity, no Lenders, except R. Jay Management Ltd., will have any interest in the Second Advance and the amounts payable by the Borrower or Guarantors in connection with the Second Advance, including the release of the Second Advance Cash Equivalent by the City to R. Jay Management Ltd.

5.4 Third Advance The Third Advance of \$9,205,700 was advanced by J.V. Driver Investments Inc. on or about February 15, 2019. In connection with the Third Advance, the Borrower issued a promissory note (originally issued on February 15, 2019 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to J.V. Driver Investments Inc. in the principal amount of \$345,213.75 (the “**Third Advance Promissory Note**”).

The Third Advance was used by the Borrower to pay as a cash equivalent (“**Third Advance Cash Equivalent**”) for, in part, the Servicing Letter of Credit required by the City in connection with the proposed development of the Lands.

For clarity, no Lenders, except J.V. Driver Investments Inc., will have any interest in the Third Advance and the amounts payable by the Borrower or Guarantors in connection with the Third Advance, including the release of the Third Advance Cash Equivalent by the City to J.V. Driver Investments Inc.

5.5 Fourth Advance The Fourth Advance was advanced by R. Jay Management Ltd. in two tranches:

- (a) the first tranche, of \$2,000,000, was advanced on July 18, 2018 pursuant to the terms of a promissory note dated that day, which promissory note has been cancelled; and
- (b) the second tranche, of \$3,000,000 was advanced on August 8, 2019.

In connection with the Fourth Advance, the Borrower issued a promissory note to the Agent in the principal amount of \$346,888.12 (originally issued on August

8, 2019 and amended and restated with effect from November 1, 2019 (the **"Fourth Advance Promissory Note"**).

5.6 Fifth Advance

The Fifth Advance of \$2,115,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower as of May 29, 2020. In connection with the Fifth Advance, the Borrower issued a promissory note with effect from May 29, 2020 to the Lenders of the Fifth Advance in the principal amount of \$2,115,000 (the **"Fifth Advance Promissory Note"**).

The Fifth Advance was advanced as protective disbursements, as during May 2020, the Borrower advised the Agent that Romspen had ceased its construction funding of the Borrower and the Project and two contractors, Rush Contracting Ltd. and Keller Foundations Ltd. working on the Lands required immediate payment on May 29, 2020 to avoid liens being filed against the Lands. The Agent determined that the Project was in jeopardy unless the contractor payments were made.

5.7 Sixth Advance

The Sixth Advance of \$2,000,000 was advanced by South Street (Alderbridge) Limited Partnership to the Borrower as of July 27, 2020. In connection with the Sixth Advance, the Borrower issued a promissory note with effect from July 27, 2020 to South Street (Alderbridge) Limited Partnership in the principal amount of \$2,000,000 (the **"Sixth Advance Promissory Note"**).

Upon the occurrence of a further advance to the Borrower either under the Loan or under any other financing from the date hereof which:

- (a) has a principal amount greater than \$10 Million; and
- (b) is not advanced by any of the Existing Lenders,

(the **"Sixth Advance Trigger Event"**), the Borrower will immediately repay, on demand by the Agent on behalf of South Street (Alderbridge) Limited Partnership, the Sixth Advance plus as interest, either \$150,000 or 15% per annum on the Sixth Advance, whichever is greater.

5.8 Seventh Advance

The Seventh Advance of \$225,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower as of May 31, 2021. In connection with the Seventh Advance, the Borrower issued a promissory note with effect from May 31, 2021 to the Lenders of the Seventh Advance in the principal amount of \$225,000 (the **"Seventh Advance Promissory Note"**).

The Seventh Advance was advanced as protective disbursements to pay for site services and other necessary costs. The Agent determined that the Project was in jeopardy unless these payments were made.

5.9 Eighth Advance

The Eighth Advance of \$1,215,000 will be advanced by the Agent, in its sole and absolute discretion, with no obligation to act reasonably, , on behalf of the Lenders set out in section 2 as noted, to the Borrower as follows:

- (a) on or before August 6, 2021:
 - (i) \$105,000 funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$150,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow;
- (b) on or before August 31, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$225,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow;
- (c) on or before September 30, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$420,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow; and
- (d) on or before October 31, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance.

The parties to this Amended and Restated Term Sheet acknowledge and agree that, if the sales and investment process (the "SISP") ongoing as at the date hereof is completed prior to the date of disbursement of a tranche or tranches of the Eighth Advance contemplated above, the obligation of the relevant Lenders to fund the relevant tranche or tranches will be unconditionally released and discharged.

In connection with the Eighth Advance, the Borrower issued a grid promissory note with effect from the date of this Amended and Restated Term Sheet to the Lenders of the Eighth Advance (the "**Eighth Advance Promissory Note**" and together with the First Advance Promissory Note, the Second Advance Promissory Note, the Third Advance Promissory Note, the Fourth Advance Promissory Note, the Fifth Advance Promissory Note, the Sixth Advance Promissory Note and the Seventh Advance Promissory Note, the "**Promissory Notes**").

6. Term, Maturity Date and Payment

The term of the Initial Advance will be from September 26, 2018 to April 30, 2022 (the "**Maturity Date**"). The term of the First Advance will be from the November 7, 2018 to the Maturity Date. The term of the Second Advance will be from November 16, 2018 to the Maturity Date. The term of the Third Advance will be from the date of the advance of the Third Advance to the Maturity Date. The term of the first tranche of the Fourth Advance will be from July 18, 2018 to the Maturity Date and the term of the second tranche of the Fourth Advance will be from August 8, 2019 to the Maturity Date. The term of the Fifth Advance will be from May 29, 2020 to the Maturity Date. The term of the Sixth Advance will be from July 27, 2020 to the Maturity Date, subject to the Sixth Advance Trigger Event under Section 5.7. The term of the Seventh Advance will be from May 31, 2021 to the Maturity Date. The term of the Eighth Advance will be from the date on which the first tranche is disbursed in accordance with Section 5.9 above to the Maturity Date.

Subject to Sections 9, 14 and 15, on or before the Maturity Date, each Advance and all accrued and unpaid interest on each Advance, including all amounts payable under the Promissory Notes, as the case may be, will be paid to the Agent, for and on behalf of the Lenders, to be distributed in accordance with the Lenders Agreement.

All payments made and received, will be deemed to be made to be applied to principal and corresponding interest on a proportionate basis.

The Borrower will provide the Agent with 10 business days' notice of repayment in full of the Advances and accrued interest at which time the Agent, on behalf of the Lenders, will have the right, but not the obligation, and further subject to full repayment of the Third Advance plus all interest thereon directly to J.V. Driver Investments Inc., to:

- (A) leave an amount (not to exceed \$15,000,000) of the principal and interest then outstanding hereunder outstanding (such amount, the "Remainder") after the Maturity Date;
- (B) extend the maturity date otherwise applicable to the Remainder to 48 months after the Maturity Date; and
- (C) set the interest rate applicable to the Remainder at 12% per annum, compounded monthly and paid annually, subject to the requirements of any construction lender on the Project,

provided that the Remainder shall rank behind only the construction financing, and/or mezzanine financing obtained by the Borrower and any deposit insurance facility.

7. Interest Rate

The Initial Advance bears interest at the following rates:

- (a) on the principal amount of the Initial Advance set out in Section 3 above:
 - (i) 15% per annum for the period from September 26, 2018 to and including November 30, 2018, compounded monthly; and
 - (ii) 18% per annum for the period from December 1, 2018 to and including July 9, 2019, compounded monthly; and
- (b) on the principal amount of the Initial Advance set out in Section 3 above plus outstanding interest thereon to July 9, 2019:
 - (i) 18% per annum for the period from July 10, 2019 to and including October 31, 2019, compounded monthly; and
 - (ii) 15% per annum for the period from and after November 1, 2019 until repayment of the Initial Advance and accrued but unpaid interest thereon, compounded monthly;

(collectively, the "Initial Advance Interest Rate").

The First Advance, the Second Advance, the Third Advance and the Fourth Advance bear interest at the following rates:

- (a) in respect of the First Advance, the Second Advance and the Third Advance, on their respective principal amounts set out in Section 3 above, 15% per annum for the period from the applicable date of advance to and including July 9, 2019, compounded monthly; and
- (b) on their respective principal amounts set out in Section 3 above plus (in the case of the First Advance, the Second Advance and the Third Advance) interest accrued to July 9, 2019:

- (i) 18% per annum for the period from July 10, 2019 (or, if later, the disbursement date of the relevant Advance) to and including October 31, 2019, compounded monthly;
- (ii) 15% per annum for the period from and after November 1, 2019 until repayment of the applicable Advances and accrued but unpaid interest thereon, compounded monthly.

(collectively, the “**First, Second, Third and Fourth Advances Interest Rate**”).

The Fifth Advance bears interest at 15% per annum (the “**Fifth Advance Interest Rate**”) from May 29, 2020 until repayment of the Fifth Advance and accrued but unpaid interest thereon, compounded monthly.

The Sixth Advance bears interest at 15% per annum (the “**Sixth Advance Interest Rate**”) from July 27, 2020 until repayment of the Sixth Advance and accrued but unpaid interest thereon, compounded monthly, subject to the Sixth Advance Trigger Event under Section 5.7.

The Seventh Advance bears and the Eighth Advance will bear interest at 15% per annum (the “**Seventh and Eighth Advances Interest Rate**”) from their respective disbursement dates until repayment of the applicable Advances and accrued but unpaid interest thereon, compounded monthly.

Each Advance disbursed after the Eighth Advance will bear interest at the rate set out in the notice relating to that Advance contemplated by Section 3 above.

8. Interest Payments All interest accrued on the Seventh Advance and the Eighth Advance at the Seventh and Eighth Advances Interest Rate, all interest accrued on the Sixth Advance at the Sixth Advance Interest Rate, all interest accrued on the Fifth Advance at the Fifth Advance Interest Rate, all interest accrued on the First Advance, the Second Advance, the Third Advance and the Fourth Advance at the First, Second, Third and Fourth Advances Interest Rate, and all interest accrued on the Initial Advance at the Initial Advance Interest Rate, will be payable on or before the Maturity Date, as applicable, in accordance with Section 6 herein.

9. Prepayment The Borrower may, prior to the Maturity Date, prepay the Advances without premium or penalty provided that such payments are to be applied in reduction of the outstanding amounts in accordance with the Lenders Agreement.

10. Funding Date The Initial Advance was funded by way of a single advance on September 26, 2018. The First Advance was funded by way of a single advance on November 7, 2018 and the Second Advance was funded by way of a single advance on November 16, 2018. The Third Advance was funded by way of a single advance on or about February 15, 2019. The Fourth Advance was funded by way of two advances: \$2,000,000 on July 18, 2019 and \$3,000,000 on August 8, 2019. The Fifth Advance was funded by way of two advances as of May 29, 2020: \$1,865,000 by the Agent to the Borrower and \$250,000 by South Street (Alderbridge) Limited Partnership to the Borrower directly. The Sixth Advance was funded by way of a

single advance on July 27, 2020 by South Street (Alderbridge) Limited Partnership to the Borrower directly. The Seventh Advance was funded by way of a single advance on May 31, 2021 by the Agent to the Borrower. The Eighth Advance will be funded by way of multiple advances in accordance with Section 5.9.

11. Security

The Advances, interest on the Advances, and all other amounts owing under the Promissory Notes and or specified in this Amended and Restated Term Sheet are secured by:

- (a) the Form B mortgage over the lands legally described as Lot 1, Section 5, Block 4 North, Range 6 West, New Westminster District, Plan EPP86098 (the "**Mortgage Property**") securing the maximum principal amount of \$60,000,000 with interest thereon at each, respective interest rates of the Advances charging the Lands and a beneficiary authorization and charge agreement executed by the Limited Partnership as beneficial owner of the Lands (each together and as amended, the "**Mortgage**"). The Mortgage secures all obligations of the Borrower to the Agent for and on behalf of the Lenders pursuant to the Agency Agreement, present and future, direct and indirect and absolute or contingent, including, without limitation, those obligations specified in this Amended and Restated Term Sheet; and
- (b) Joint and Several Guarantees in respect of all indebtedness owed by the Borrower to the Lenders, including the Advances and interest on the Advances as the case may be, including all amounts payable under the Promissory Notes, to be granted by Gatland Development Corporation, REV Holdings Ltd., REV Investments Inc., South Street Development Managers Ltd., South Street (Alderbridge) Limited Partnership, Samuel David Hanson and Brent Taylor Hanson (collectively with MNB Enterprises Inc. and G. Wong Holdings Inc., the "**Guarantors**").

The Mortgage (as modified on July 27, 2020) was originally registered in the New Westminster Land Title Office on March 5, 2019.

12 Confirmation of Security

Each of the Borrower and the Guarantors hereby confirm and acknowledge to and agree with the Agent for and on behalf of the Lenders as follows:

- (a) the Security to which it is a party remains in full force and effect, enforceable against each Borrower or the Guarantors, as applicable, in accordance with its respective terms;
- (b) it continues to be bound by the provisions of the Security to which it is a party;
- (c) the Security to which it is a party shall continue and/or be extended, as the case may be, to secure payment of all present and future indebtedness, liabilities and obligations of the Borrower to the Agent and the Lenders, direct and indirect, joint or several, absolute or contingent,

matured or unmatured including, without limitation, all indebtedness, liability and obligations arising pursuant to or in respect of this Amended and Restated Term Sheet, as the same may be further amended, restated, modified, supplemented or replaced from time to time; and

- (d) the Mortgage is registered on title for the Mortgage Property as a second priority mortgage to a first mortgage held by Romspen Investment Corporation (“**Romspen**”). The Agent executed, on behalf of the Lenders, a priority agreement between the Agent and Romspen (the “**Romspen Priority Agreement**”) in respect of Romspen’s commitment to lend \$422,000,000 to the Borrower (the “**Romspen Financing**”).

13. Conditions

[Intentionally deleted]

14. Covenants

Until the Advances and all interest thereon including all amounts owing under the Promissory Notes, as the case may be, have been repaid and all other obligations of the Borrower to the Agent for and on behalf of the Lenders under this Amended and Restated Term Sheet have been satisfied, the Borrower covenants with the Agent and the Lenders that it will:

- (a) comply with all of the terms and conditions of this Amended and Restated Term Sheet;
- (b) satisfy all of its obligations to any lender holding a prior mortgage against the Lands;
- (c) pay to the Agent for and on behalf of the Lenders, or in respect of the Third Advance (including any amendments, consents, waivers or other changes necessary or required by any creditor of J.V. Driver Investments Inc.) to any nominee of J.V. Driver Investments Inc., all costs, charges, losses, and expenses incurred or payable by the Agent or such Lenders, including, without limitation, interest expenses, costs related to any interest reserve held by a creditor of J.V. Driver Investments Inc. or its nominee related to the Third Advance (including any amount paid as part of such interest reserve), any and all borrowing or financing expenses (including exit, pre-payment, commitment, and/or origination fees), and any and all professional fees (including legal fees and disbursements, on the basis as between a solicitor and own client, administrative costs, and accounting fees), without duplication, of and incidental to the Advances and the Promissory Notes, as the case may be, including:
- (i) the preparation and negotiation of this Amended and Restated Term Sheet and the Security;
- (ii) taking, recovering, keeping, possessing, inspecting, protecting or realizing on any property charged by the Security;
- (iii) any proceeding taken to enforce the remedies under this Amended and Restated Term Sheet or the Security, or otherwise

in relation to this Amended and Restated Term Sheet or the Security, or by reason of non-payment of the monies secured by the Security; and

- (iv) any payment made by J.V. Driver Investments Inc. or its nominee to any of creditor of J.V. Driver Investments Inc. or its nominee related to the Third Advance, including pursuant to the obligation of J.V. Driver Investments Inc. or its nominee to:
 - A. replenish an interest reserve held by such creditor as part of the terms and conditions under which the Third Advance was financed; or
 - B. pay any sum, or provide any letter of credit, to any such creditors as security in accordance with the terms and conditions under which the Third Advance was financed; provided, however, that the Lenders shall return any funds paid to the Lenders pursuant to this Section 14(c)(iv)(B) to the Borrower within a commercially reasonable time if such creditor returns such funds to J.V. Driver Investments Inc. or its nominee, and where J.V. Driver Investments Inc. or its nominee has issued a letter of credit (the "Driver Letter"), the Borrower shall issue to J.V. Driver Investments Inc. or its nominee a letter of credit, on identical terms to the Driver Letter, which shall be held by J.V. Driver Investments Inc. or its nominee and returned by the same where the Driver Letter is returned by such creditor;

provided that J.V. Driver Investments Inc. shall assign its interest in the interest reserve (including the benefit of the interest reserve as may be applied against the amounts owed to J.V. Driver Investments Inc.'s creditor) held by such creditor (including any replenishment of the interest reserve paid by the Borrower to such creditor or J.V. Driver Investments Inc., as the case may be) to the Borrower on account of the indebtedness owed by the Borrower to Agent for and on behalf of J.V. Driver Investments Inc. for the Third Advance;

and all such costs, charges and expenses, if unpaid by the Borrower will be secured by the Security until paid, will bear interest at the Seventh and Eighth Advances Interest Rate and will be payable on demand;

- (d) promptly deliver written notice to the Lenders, from time to time, upon making any payments in respect of any Advance and in the case of the Third Advance, written notice to J.V. Driver Investments Inc. about any payments made by the Borrower to the creditor of J.V. Driver Investments Inc. or its nominee, as and when such payment obligations

- of the Borrower or J.V. Driver Investments Inc. or its nominee, as the case may be, become due and owing to such creditor;
- (e) deliver to J.V. Driver Investments Inc. or its nominee, quarterly progress reports for the Project, including, without limitation, leasing and presale marketing updates for the Project, within thirty (30) days after the end of each calendar quarter, in a form and substance acceptable to J.V. Driver Investments Inc. or its nominee, acting reasonably;
 - (f) at the written request of J.V. Driver Investments Inc. or its nominee issued from time to time, acting reasonably, deliver to J.V. Driver Investments Inc. or its nominee evidence of the certificates of insurance that are required by any other senior lenders having a registered interest in the Mortgage Property in priority to the Lenders' interest under the Mortgage;
 - (g) pay the Third Advance, and any and all interest that has accrued thereon, in full, directly to J.V. Driver Investments Inc., or its nominee, in full upon the occurrence of any one of the following which are not waived, or consented to in writing prior to their occurrence, by J.V. Driver Investments Inc. or its nominee:
 - (i) if the Borrower does not keep the Mortgage Property free and clear of all liens, mortgages, encumbrances, charges, interests or claims of any kind whatsoever other than those currently registered against the Lands as of the date of this Amended and Restated Term Sheet, the Mortgage, any additional mortgage related to a refinancing that has been consented to by J.V. Driver Investments Inc. or its nominee in accordance with Section 15(f), or any statutory right of way, easements or covenants to be registered in connection with the Project;
 - (ii) a default by the Borrower in respect of any debt due to 1185678 B.C. Ltd. (as agent for certain entities), GEC (Richmond) GP Inc. ("GEC") or Romspen (together the "Other Loans") or under any financing document or security provided in connection with the Other Loans and such default continues even after any applicable notice and/or cure periods;
 - (iii) commencement of court action, arbitral proceeding, or any other type of judicial proceeding or exercise of rights and remedies by the holder of any mortgage, security interest or other lien registered against any portion of the Mortgage Property;
 - (iv) the registration of any judgment in excess of USD\$1,000,000.00 against the Mortgage Property or the Borrower; or the attachment, levy, garnishment or the commencement of any related court action, arbitral proceeding, or any other type of

- judicial proceeding involving a claim in excess of \$1,000,000.00 against the Project or the Borrower;
- (v) if the Borrower borrows any monies for the Project, grants, transfers, or assigns any further interest in the Mortgage Property without the prior consent of J.V. Driver Investments Inc.;
 - (vi) if a representation, statement or information provided by the Borrower to any of creditor of J.V. Driver Investments Inc. or its nominee with respect to the Mortgaged Property or the Borrower is false; or
 - (vii) the insolvency of any party comprising the Borrower, or the admission in writing of the Borrower's inability to pay debts as they mature; and
- (h) comply in all respects with all applicable laws, rules, regulations, and bylaws of all applicable governmental entities that apply to the Borrower or the Mortgage Property; observe and conform in all respects to all valid requirements of any governmental or municipal authority, including without limitation any and all applicable zoning regulation or development controls, relative to any of its assets, including the Mortgage Property, and all covenants, terms and conditions of all agreements, liens, encumbrances, registrations, or charges upon or under which any of its assets, including the Mortgage Property, are held;
- (i) hold reporting meetings and provide updates to the Agent in respect of the Borrower's plan to secure refinancing of the Project and repay the Advances plus accrued interest. Such meetings and updates are to be provided at least weekly, and upon demand by the Agent, on the next day of such demand;
- (j) save and except for the Romspen Financing and the Deposit Protection Facility, not draw against any refinancing for any other reason but repayment of all outstanding indebtedness hereunder owed to the Lenders;
- (k) add the Agent as an insured under the Borrower's insurance policy for the Project as third loss payee, and will reimburse the Agent for all costs associated with securing directors liability insurance for the director of the Agent;
- (l) not be permitted to secure any additional advances from Romspen or from any other lender ranking ahead of the Lenders beyond the total principal sum of the Romspen Financing limited to \$422,000,000 and the Deposit Protection Facility in the amount of \$70,000,000; and

- (m) not be permitted to secure any advances from any lender ranking behind the Lenders except with terms no more favourable than the terms of the Loan hereunder.

15. Events of Default

The Borrower will be in default under this Amended and Restated Term Sheet and the Agent, for and on behalf of the Lenders, will be entitled to demand payment in full of the Loan, as advanced from time to time, and all other amounts payable to the Agent under this Amended and Restated Term Sheet or secured by the Security, including without limitation any interest that has accrued and not yet been paid, and to enforce the Security:

- (a) the Borrower fails to make any payment of interest, principal or any other amount payable to the Agent, when due, and such default continues for five days or more;
- (b) the Borrower defaults in the performance or observance of any other term, condition or covenant contained in this Amended and Restated Term Sheet or the Security and such default continues for 15 days or more;
- (c) an order is made or a resolution is passed or a petition is filed for the liquidation, winding-up or dissolution of any of the entities comprising the Borrower;
- (d) any of the entities comprising the Borrower consents to or makes a general assignment for the benefit of creditors or makes or files a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, or is declared bankrupt, or commences any proceedings for protection under the *Companies Creditors' Arrangement Act*, or if a liquidator, trustee in bankruptcy, custodian or receiver or receiver and manager or other officer with similar powers is appointed of any of the entities comprising the Borrower or the property of it or any substantial part thereof;
- (e) a final judgment is rendered against any of the entities comprising the Borrower and within 30 days after entry thereof it has not been discharged or execution thereof has not been stayed pending appeal or if an encumbrancer takes possession of all or a substantial part of the assets of any of the entities comprising the Borrower or if a distress or execution or any similar process is levied or enforced against it affecting all or a substantial part of its assets; or
- (f) without the prior written approval of J.V. Driver Investments Inc. or its nominee, such approval not to be unreasonably withheld, conditioned or delayed:
 - (i) there is a new sale or new refinancing of the Mortgage Property, except for any pre-sale of market condos or office building or the Romspen Financing or the Deposit Protection Facility; or

- (ii) the existing capital structure of the Mortgage Property or the Borrower is modified;

pursuant to which J.V. Driver Investments Inc. is obliged to make any payment to any of its creditors that are related, directly or indirectly, to the Third Advance in accordance with the terms and conditions related to its financing of such Third Advance,

(each a “**Default Event**”). The Borrower shall immediately notify the Lenders upon the occurrence of a Default Event.

16. Step-In Option

[Intentionally deleted]

17. Miscellaneous

This Amended and Restated Term Sheet may not be assigned by the Borrower without the prior written consent of the Lenders. This Amended and Restated Term Sheet will be binding on and will enure to the benefit of the Lenders and their successors and assigns and the Borrower and its successors and permitted assigns. The laws of British Columbia will govern this Amended and Restated Term Sheet and the Security.

**18. Effect of
Amendment and
Restatement**

Except as otherwise set forth herein, this Amended and Restated Term Sheet is intended to and does completely amend and restate, without novation, the Term Sheet.

**19. Further execution
to effect the
Term Sheet**

All the parties to this Amended and Restated Term Sheet agree to execute such other agreements, resolutions, documents, security and instruments as may be required in connection with the transactions contemplated by this Amended and Restated Term Sheet, including, but not limited to:

- (a) Joint and Several Guarantees in respect of all indebtedness by the Guarantors;
- (b) the Promissory Notes by the Borrower.

**20. Maximum
interest**

- (a) In the event that any provision of this Agreement or the Promissory Notes issued in conjunction herewith relating to one or more Advances hereunder would oblige the Borrower to make any payment of interest or any other payment which is construed by a court of competent jurisdiction to be interest in an amount or calculated at a rate which would be prohibited by applicable law or would result in receipt by the Agent or any Lender of “interest” at a “criminal rate” (as those terms are

construed under the *Criminal Code (Canada)*), then notwithstanding the relevant provision, the relevant amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be prohibited by applicable law or result in receipt by the Agent or applicable Lender of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary, as follows:

- (i) first, by reducing the amount or rate of interest required to be paid under an Advance providing for such proscribed return under this Agreement; and
 - (ii) thereafter, by reducing any fees, commissions, premiums or other amounts required to be paid to the Agent or a Lender under an Advance providing for such proscribed return under this Agreement which would constitute "interest" for the purposes of Section 347 of the *Criminal Code (Canada)*.
- (b) If, notwithstanding the provisions of the immediately preceding section and after giving effect to all adjustments contemplated thereby, the Agent or any Lender shall have received an amount in excess of the maximum permitted by applicable law (an "excess"), then the excess shall be applied:
- (i) in reduction of the principal balance of the Loan on a pro-rata basis among the Advances on which the relevant interest accrued; or
 - (ii) if the excess exceeds the principal balance of the relevant Loan, the excess shall be refunded to the Borrower.

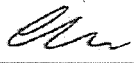
21. Counterpart

- (a) **Counterparts.** This Amended and Restated Term Sheet may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document, and will become effective when one or more counterparts have been signed by each of the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the date first above written.
- (b) **Execution by Electronic Means.** This Amended and Restated Term Sheet may be executed by the parties and delivered by fax or other electronic means and if so executed and delivered this Agreement will be for all purposes as effective as if the parties had executed and delivered an executed original of this Agreement.

22. Existing Default Nothing in this Amended and Restated Term Sheet constitutes a waiver, consent or release on the part of the Agent or any Lender of any rights or remedies which such person may have in relation to any breach of the Borrower existing on or prior to the date of this Amended and Restated Term Sheet. Execution of this Amended and Restated Term Sheet by the Agent and the Lenders does not in any way limit, release or discharge the Borrower from the obligations and liabilities of the Borrower to the Agent or any of the Lenders.

Agreed and accepted as of the date first set out above:

1185678 B.C. LTD., as agent for the Lenders

Per: 
Authorized Signatory

Lenders:

R. JAY MANAGEMENT LTD.

Per: _____
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: _____
Authorized Signatory

DENNIS SCHWAB

LESLEY SCHWAB

MNB ENTERPRISES INC.

Per: _____
Authorized Signatory

Agreed and accepted as of the date first set out above:

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Per: _____
Authorized Signatory

Lenders:

R. JAY MANAGEMENT LTD.

Per: James Longo
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: _____
Authorized Signatory

DENNIS SCHWAB

LESLEY SCHWAB

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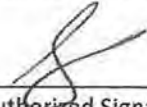
Per: _____
Authorized Signatory

Lenders:

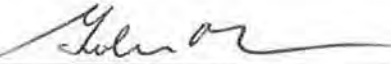
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Authorized Signatory

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Authorized Signatory



DENNIS SCHWAB



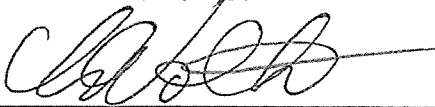
LESLEY SCHWAB

MNB ENTERPRISES INC.

Per: 

Authorized Signatory

VOTH DEVELOPMENTS LTD.

Per: 

Authorized Signatory

INLAND CONSULTING LTD.

Per: _____
Authorized Signatory

J.V. DRIVER INVESTMENTS INC.

Per: _____
Authorized Signatory

**SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: _____
Authorized Signatory

Borrower:

**ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: _____
Authorized Signatory

0989705 B.C. LTD.

Per: _____
Authorized Signatory

VOTH DEVELOPMENTS LTD.

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Authorized Signatory

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general partner **ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

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0989705 B.C. LTD.

Per: _____
Authorized Signatory

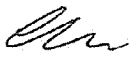
VOTH DEVELOPMENTS LTD.

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Per: _____
Authorized Signatory

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: DocuSigned by:
Sam Hanson
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Authorized Signatory

Borrower:

ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner **ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: _____
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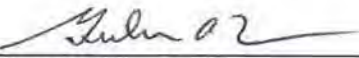
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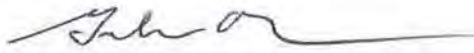
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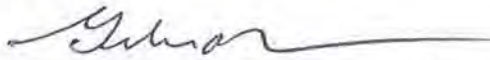
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Per:  _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per:  _____
Authorized Signatory

0989705 B.C. LTD.

Per:  _____
Authorized Signatory

Guarantors:

DocuSigned by:
Sam Hanson
4DD32C490FB1430...
SAM HANSON _____

BRENT HANSON

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

DocuSigned by:
Sam Hanson
Per: 4DD32C490FB1430... _____
Authorized Signatory

SOUTH STREET DEVELOPMENT MANAGERS LTD.

DocuSigned by:
Sam Hanson
Per: 4DD32C490FB1430... _____
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

REV HOLDINGS LTD.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

Guarantors:

SAM HANSON

DocuSigned by:

(20240710091143)

BRENT HANSON

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: _____
Authorized Signatory

SOUTH STREET DEVELOPMENT MANAGERS LTD.

Per: _____
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

REV HOLDINGS LTD.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

Guarantors:

SAM HANSON

BRENT HANSON


**SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: _____
Authorized Signatory


SOUTH STREET DEVELOPMENT MANAGERS LTD.

Per: _____
Authorized Signatory

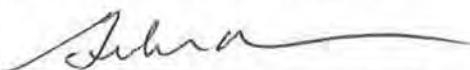
REV INVESTMENTS INC.

Per:  _____
Authorized Signatory

REV HOLDINGS LTD.

Per:  _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per:  _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: 
Authorized Signatory

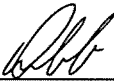
MNB ENTERPRISES INC.

Per: _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: _____
Authorized Signatory

MNB ENTERPRISES INC.

Per:  _____
Authorized Signatory

SCHEDULE A

CASHFLOW

See attached.

Alderbridge Way Limited Partnership							
Cash Flow Statement							
For the period ending September 30, 2021							
(C\$1000s)							
Week	Notes	Month 1	Month 2	Month 3	Month 4	Month 5	Total
Week Ending		31-May	30-Jun	31-Jul	31-Aug	30-Sep	
Receipts							
Funding from GP	1	\$ 225	\$ -	\$ 150	\$ 150	\$ 171	\$ 700
Funding from GP/LP	2	-	-	302	139	139	600
Total Receipts		225	-	452	289	310	1,306
Disbursements							
1. Site management		16	33	30	16	16	111
2. Site security		-	22	33	11	11	77
3. Direct site services		11	23	12	12	12	70
4. Professional fees		18	12	10	12	12	64
5. Contingency		50	50	50	50	50	250
6. Wall monitoring		10	10	10	5	5	40
7. Geotechnical (fillmeter) monitoring		4	7	5	5	5	26
Direct site services	3	168	157	150	111	111	697
Project Management		-	15	15	15	15	60
Professional fees	4	117	115	110	150	125	617
Contingency		-	-	-	29	29	58
Total Disbursements		225	287	275	276	280	1,343
Net Cash Flow		-	(287)	157	23	30	23
Cash Position							
Opening Cash Position		-	-	(287)	(264)	(17)	-
Closing Cash Position		\$ -	\$ (287)	\$ (100)	\$ (7)	\$ 23	\$ 23

Notes:

1. GPs are to fund \$75,000 each on May 31, 2021.
2. On going funding is to be received from GP/LP group.
3. On May 31 \$125,000 is to be paid for select site services. Monthly site costs are estimated at \$104,000/month from June 1, 2021.
4. Professional fees have been forecast based on preliminary estimates from Dentons and A&M, based on the current assumption that a sales process can be concluded without a formal restructuring.

SCHEDULE B**8th ADVANCE PRO RATA AMOUNTS**

	% of 8TH ADVANCE	Funding (CAD\$) per \$105,000 tranche
		105,000
R. Jay Management Ltd.	62%	65,100
MNB Enterprises Inc.	4%	4,200
Voth Developments Ltd.	3%	3,150
Inland Consulting Ltd.	4%	4,200
G. Wong Holdings Inc.	3%	3,150
J.V. Driver Investments Inc.	24%	25,200
Total	100%	105,000

This is **Exhibit "K"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Xu

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

AMENDED AND RESTATED PROMISSORY NOTE

November 7, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020

\$1,950,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED NOVEMBER 1, 2019, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of 1185678 B.C. Ltd. (the "Payee") on account of the parties as set out in Schedule A hereto, the principal sum of ONE MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS (\$1,950,000.00) (the "Principal Sum") on or before October 31, 2021 and to pay the interest thereon from November 7, 2018 both before and after maturity, default and judgment and until actual payment in full, at a rate per annum equal to 30% until July 9, 2019, at a rate per annum equal to 18% from July 10, 2019 to October 31, 2019, and at a rate per annum equal to 15% from November 1, 2019 until full repayment of the Principal Sum and all accrued and but unpaid interest thereon (the "Rate"), calculated monthly, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payees will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payees. This Promissory Note amends and restates the promissory note dated November 7, 2018 as amended and restated on August 8, 2019, and November 1, 2019.

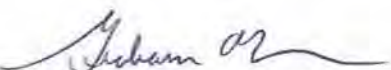
[This section is intentionally left blank. Signatures appear on the next page.]

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of November 7, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020.

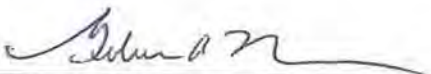
ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, ALDERBRIDGE WAY GP
LTD.

0989705 B.C. LTD.

Per: 
Authorized Signatory

Per: 
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: 
Authorized Signatory

SCHEDULE "A"

LIST OF PAYEES AND PRORATED PRINCIPAL SUM

PAYEE	PRORATED PRINCIPAL SUM	PERCENTAGE INTEREST
DENNIS SCHWAB & LESLEY SCHWAB 2701 – 1281 West Cordova Street, Vancouver, B.C. V6C 3R5	\$150,150.00	7.7%
R. JAY MANAGEMENT LTD. (BC Extraprovincial Reg. No. A0105910) 660 Caldew Street, Delta, B.C. V3M 5S2	\$1,425,450.00	73.1%
VOTH DEVELOPMENTS LTD. (BC Inc. No. BC 0182675) 15080 North Bluff Road, White Rock B.C. V4B 5C1	\$150,150.00	7.7%
G. WONG HOLDINGS INC. (BC Inc. No. BC0826911) 314, 1488-4 th Ave., Prince George B.C. V2L 4Y2	\$74,100.00	3.8%
INLAND CONSULTING LTD. (BC Inc. No. BC0182675) 314 – 1488 4 th Avenue, Prince George, B.C. V2L 4Y2	\$150,150.00	7.7%

AMENDED AND RESTATED PROMISSORY NOTE

November 16, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020

\$465,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED NOVEMBER 1, 2019, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of R. Jay Management Ltd. (the "Payee"), the principal sum of FOUR HUNDRED SIXTY-FIVE THOUSAND DOLLARS (\$465,000.00) (the "Principal Sum") on or before October 31, 2021 and to pay the interest thereon from November 16, 2018 both before and after maturity, default and judgment and until actual payment in full, at a rate per annum equal to 30% until July 9, 2019, at a rate per annum equal to 18% from July 10, 2019 to October 31, 2019, and at a rate per annum equal to 15% from November 1, 2019 until full repayment of the Principal Sum and all accrued and but unpaid interest thereon (the "Rate"), calculated monthly, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payees will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee. This Promissory Note amends and restates the promissory note dated November 16, 2018 as amended and restated on August 8, 2019 and November 1, 2019.

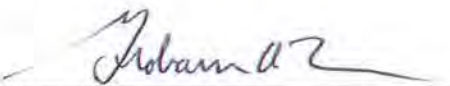
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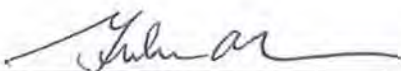
This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of November 16, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020.

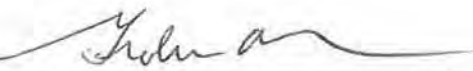
ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, **ALDERBRIDGE WAY GP LTD.**

0989705 B.C. LTD.

Per: 
Authorized Signatory

Per: 
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: 
Authorized Signatory

AMENDED AND RESTATED PROMISSORY NOTE

Dated February 15, 2019 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020.

\$345,213.75

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED NOVEMBER 1, 2019, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of J.V Driver Investments Inc. (the "Payee"), the principal sum of THREE HUNDRED FORTY FIVE THOUSAND TWO HUNDRED THIRTEEN DOLLARS AND SEVENTY-FIVE CENTS (\$345,213.75) (the "Principal Sum") of lawful currency of the Canada, on or before October 31, 2021 provided that if the Payor repays the Principal Sum to the Payee at any date after May 16, 2019, the Payor shall also pay an additional per diem fee of \$3,783.16 ("Per Diem") of lawful currency of the Canada from May 16, 2019 to July 9, 2019, and thereafter interest, on the Principal Sum and the aggregate of all accrued and unpaid Per Diems, at a rate per annum equal to 18% from July 10, 2019 to October 31, 2019, and at a rate per annum equal to 15% from November 1, 2019 until full repayment of the Principal Sum and all accrued and but unpaid interest thereon (the "Rate"), calculated monthly, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payees. This Promissory Note amends and restates the promissory note dated February 15, 2019 and amended and restated on August 8, 2019, and November 1, 2019.

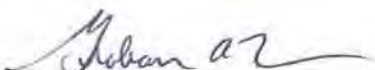
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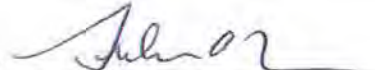
This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of February 15, 2019 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020.

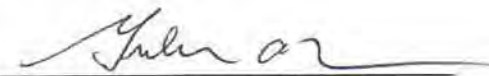
ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, ALDERBRIDGE WAY GP
LTD.

0989705 B.C. LTD.

Per: 
Authorized Signatory

Per: 
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: 
Authorized Signatory

AMENDED AND RESTATED PROMISSORY NOTE

Dated November 1, 2019 and amended and restated as of November 1, 2019 and July 27, 2020.

\$346,888.12

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED NOVEMBER 1, 2019, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of 1185678 B.C. Ltd. (the "Payee"), on account of the parties set out in Schedule A hereto, the principal sum of THREE HUNDRED AND FORTY-SIX THOUSAND EIGHT HUNDRED AND EIGHTY-EIGHT DOLLARS AND TWELVE CENTS (\$346,888.12) (the "Principal Sum"), on or before October 31, 2021 and to pay interest thereon from November 1, 2019, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "Rate"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee. This promissory note amends and restates the promissory note dated November 1, 2019, as amended and restated on November 1, 2019.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of November 1, 2019 and amended and restated as of November 1, 2019 and July 27, 2020.

ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, ALDERBRIDGE WAY GP
LTD.

0989705 B.C. LTD.

Per: 
Authorized Signatory

Per: 
Authorized Signatory

- 2 -

SCHEDULE "A"

LIST OF PAYEES AND PRORATED PRINCIPAL SUM

PAYEE	PRORATED PRINCIPAL SUM	PERCENTAGE INTEREST
DENNIS SCHWAB & LESLEY SCHWAB 2701 – 1281 West Cordova Street, Vancouver, B.C. V6C 3R5	\$9,019.09	2.6%
MNB ENTERPRISES INC. (BC Inc. No. BC08378816) 204-1302, 7th Avenue, Prince George, British Columbia V2L 3P1.	\$2,428.22	0.7%
R. JAY MANAGEMENT LTD. (BC Extraprovincial Reg. No. A0105910) 660 Caldew Street, Delta, B.C. V3M 5S2	\$200,501.33	57.8%
VOTH DEVELOPMENTS LTD. (BC Inc. No. BC 0182675) 15080 North Bluff Road, White Rock B.C. V4B 5C1	\$9,019.09	2.6%
G. WONG HOLDINGS INC. (BC Inc. No. BC0826911) 314, 1488-4 th Ave., Prince George B.C. V2L 4Y2	\$6,937.76	2.0%
INLAND CONSULTING LTD. (BC Inc. No. BC0182675) 314 – 1488 4 th Avenue, Prince George, B.C. V2L 4Y2	\$9,019.09	2.6%

- 3 -

GATLAND DEVELOPMENT CORPORATION, (BC Inc. No. BC0082496) 760 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1	\$2,775.10	0.8%
REV INVESTMENTS INC., (BC Inc. No. BC0865865) 28235 Smith Avenue, Abbotsford, British Columbia V4X 1C7	\$24,975.94	7.2%
J.V. DRIVER INVESTMENTS INC., (Federal Inc. No 868593-2) 1205-5th Street, Nisku, Alberta T9E 7L6	\$82,212.48	23.7%

PROMISSORY NOTE

Dated May 29, 2020 and amended and restated as of July 27, 2020.

\$2,115,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED MAY 29, 2020, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED FROM TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of 1185678 B.C. Ltd. (the "Payee"), on account of the parties set out in Schedule A hereto, the principal sum of TWO MILLION ONE HUNDRED AND FIFTEEN THOUSAND DOLLARS (\$2,115,000.00) (the "Principal Sum"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "Rate"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee. This promissory note amends and restates the promissory note dated May 29, 2020.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of May 29, 2020 and amended and restated as of July 27, 2020.

ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, ALDERBRIDGE WAY GP
LTD.

0989705 B.C. LTD.

Per: _____

Authorized Signatory

Per: _____

Authorized Signatory

- 2 -

SCHEDULE "A"

LIST OF PAYEES AND PRORATED PRINCIPAL SUM

PAYEE	PRORATED PRINCIPAL SUM	PERCENTAGE INTEREST
<p>SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP by its general partner, SOUTH STREET (ALDERBRIDGE) GP (BC Inc. No. BC1134784)</p> <p>1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2</p>	\$310,000.00	14.66%
<p>REV INVESTMENTS INC., (BC Inc. No. BC0865865)</p> <p>28235 Smith Avenue, Abbotsford, British Columbia V4X 1C7</p>	\$95,000.00	4.49%
<p>GATLAND DEVELOPMENT CORPORATION, (BC Inc. No. BC0082496)</p> <p>760 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1</p>	\$110,000.00	5.20%
<p>G. WONG HOLDINGS INC. (BC Inc. No. BC0826911)</p> <p>314, 1488-4th Ave., Prince George B.C. V2L 4Y2</p>	\$300,000.00	14.18%
<p>MNB ENTERPRISES INC. (BC Inc. No. BC08378816)</p> <p>204-1302, 7th Avenue, Prince George, British Columbia V2L 3P1.</p>	\$400,000.00	18.91%

- 3 -

INLAND CONSULTING LTD. (BC Inc. No. BC0182675) 314 – 1488 4 th Avenue, Prince George, B.C. V2L 4Y2	\$300,000.00	14.18%
VOTH DEVELOPMENTS LTD. (BC Inc. No. BC 0182675) 15080 North Bluff Road, White Rock B.C. V4B 5C1	\$200,000.00	9.46%
R. JAY MANAGEMENT LTD. (BC Extraprovincial Reg. No. A0105910) 660 Caldew Street, Delta, B.C. V3M 5S2	\$400,000.00	18.91%

PROMISSORY NOTE

Dated July 27, 2020.

\$2,000,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED JULY 27, 2020, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED FROM TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "Payor") hereby promises, jointly and severally, to pay to or to the order of South Street (Alderbridge) Limited Partnership. (the "Payee"), the principal sum of TWO MILLION DOLLARS (\$2,000,000.00) (the "Principal Sum"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "Rate"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of July 27, 2020

ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, ALDERBRIDGE WAY GP
LTD.

0989705 B.C. LTD.

Per: 

Authorized Signatory

Per: 

Authorized Signatory

PROMISSORY NOTE

Dated as of May 31, 2021.

\$75,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED AUGUST 5, 2021, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED FROM TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its general partner, ALDERBRIDGE WAY G.P. LTD. and 0989705 B.C. LTD. (collectively, the "Payor") hereby promises, jointly and severally, to pay to or to the order of GATLAND DEVELOPMENT CORPORATION (BC Inc. No. BC0082496), having an address at 760 – 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1 (the "Payee"), the principal sum of SEVENTY FIVE THOUSAND DOLLARS (\$75,000.00) (the "Principal Sum"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "Rate"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of May 31, 2021.

ALDERBRIDGE WAY LIMITED PARTNERSHIP, 0989705 B.C. LTD.
by its general partner, ALDERBRIDGE WAY GP LTD.

DocuSigned by:
Jason Ratzlaff
Per: 3AC57475C6C14E4...
Authorized Signatory

DocuSigned by:
Jason Ratzlaff
Per: 3AC57475C6C14E4
Authorized Signatory

PROMISSORY NOTE

Dated as of May 31, 2021.

\$75,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED AUGUST 5, 2021, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED FROM TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its general partner, ALDERBRIDGE WAY G.P. LTD. and 0989705 B.C. LTD. (collectively, the "Payor") hereby promises, jointly and severally, to pay to or to the order of REV INVESTMENTS INC. (BC Inc. No. BC0865865), having an address at 28235 Smith Avenue, Abbotsford, British Columbia, V4X 1C7 (the "Payee"), the principal sum of SEVENTY FIVE THOUSAND DOLLARS (\$75,000.00) (the "Principal Sum"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "Rate"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of May 31, 2021.

ALDERBRIDGE WAY LIMITED PARTNERSHIP, 0989705 B.C. LTD.
by its general partner, ALDERBRIDGE WAY GP LTD.

DocuSigned by:
Jason Ratzlaff
Per: 3AC57475C6C14E4...
Authorized Signatory

DocuSigned by:
Jason Ratzlaff
Per: 3AC57475C6C14E4...
Authorized Signatory

PROMISSORY NOTE

Dated as of May 31, 2021.

\$75,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED AUGUST 5, 2021, AS SUCH TERM SHEET MAY BE FURTHER AMENDED AND RESTATED FROM TIME TO TIME AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its general partner, ALDERBRIDGE WAY G.P. LTD. and 0989705 B.C. LTD. (collectively, the "**Payor**") hereby promises, jointly and severally, to pay to or to the order of SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP (BC Inc. No. BC1134784), having an address at 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2 (the "**Payee**"), the principal sum of SEVENTY FIVE THOUSAND DOLLARS (\$75,000.00) (the "**Principal Sum**"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "**Rate**"), calculated daily, with interest on overdue interest at the Rate.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

DATED as of May 31, 2021.

ALDERBRIDGE WAY LIMITED PARTNERSHIP, 0989705 B.C. LTD.
by its general partner, **ALDERBRIDGE WAY GP LTD.**

DocuSigned by:

Per: 3AC57475C6C14E4...
Authorized Signatory

DocuSigned by:

Per: 3AC57475C6C14E4
Authorized Signatory

GRID PROMISSORY NOTE

Dated August 5, 2021

\$1,215,000.00

IN CONSIDERATION OF ENTERING INTO AN AMENDED AND RESTATED TERM SHEET DATED AUGUST 5, 2021 AND FOR OTHER VALUE RECEIVED, ALDERBRIDGE WAY LIMITED PARTNERSHIP by its general partner, ALDERBRIDGE WAY G.P. LTD. AND 0989705 B.C. LTD. (collectively the "**Payor**") hereby promises, jointly and severally, to pay to or to the order of 1185678 B.C. Ltd. (the "**Payee**"), on account of the parties set out in Schedule A hereto:

- (a) the principal sum of ONE MILLION TWO HUNDRED AND FIFTEEN THOUSAND DOLLARS \$1,215,000.00; or
- (b) such lesser amount as may be outstanding from time to time hereunder, as specified by the Payor and the Payee on the grid attached to this Grid Promissory Note as Schedule B (the "**Grid**"),

(such amount, the "**Principal**"), on or before April 30, 2022 and to pay interest thereon from the date hereof, both before and after maturity, default and judgment and until actual payment in full, at a rate equal to 15% per annum (the "**Rate**"), calculated daily, with interest on overdue interest at the Rate.

All advances and repayments of Principal under this Grid Promissory Note shall be evidenced by endorsement by the Payee (with the agreement of the Payor) from time to time upon the Grid and such endorsements shall be conclusive evidence of such advances and repayments, absent manifest error.

The Payor may without notice, penalty or bonus, prepay all or any portion of the amounts owing hereunder at any time. Any such prepayment received by the Payee will be applied first as against interest outstanding and secondly against the Principal Sum.

Presentment for payment, protest, notice of protest and notice of dishonour of this Promissory Note are hereby waived.

This Promissory Note and all covenants, promises and agreements contained herein shall be binding upon, and shall enure to the benefit of, the respective successors and any permitted assigns of the Payor and the Payee.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[Signature page follows]

ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, **ALDERBRIDGE WAY GP**
LTD.

0989705 B.C. LTD.

Per: 

Authorized Signatory

Per: 

Authorized Signatory

SCHEDULE A

LIST OF LENDERS AND PRORATED PRINCIPAL

LENDER	PRORATED PRINCIPAL				PERCENTAGE INTEREST
	Advance 1	Advance 2	Advance 3	Advance 4	
SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP by its general partner, SOUTH STREET (ALDERBRIDGE) GP (BC Inc. No. BC1134784) 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2	\$75,000.00	\$50,000.00	\$75,000.00	\$140,000.00	
REV INVESTMENTS INC., (BC Inc. No. BC0865865) 28235 Smith Avenue, Abbotsford, British Columbia V4X 1C7	\$75,000.00	\$50,000.00	\$75,000.00	\$140,000.00	
GATLAND DEVELOPMENT CORPORATION, (BC Inc. No. BC0082496) 760 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1	\$75,000.00	\$50,000.00	\$75,000.00	\$140,000.00	
G. WONG HOLDINGS INC. (BC Inc. No. BC0826911) 314, 1488-4 th Ave., Prince George B.C. V2L 4Y2	\$3,150.00	\$3,150.00	\$3,150.00	\$3,150.00	3%
MNB ENTERPRISES INC. (BC Inc. No. BC08378816) 204-1302, 7th Avenue, Prince George, British	\$4,200.00	\$4,200.00	\$4,200.00	\$4,200.00	4%

Columbia V2L 3P1,					
INLAND CONSULTING LTD. (BC Inc. No. BC0182675) 314 – 1488 4 th Avenue, Prince George, B.C. V2L 4Y2	\$4,200.00	\$4,200.00	\$4,200.00	\$4,200.00	4%
VOTH DEVELOPMENTS LTD. (BC Inc. No. BC 0182675) 15080 North Bluff Road, White Rock B.C. V4B 5C1	\$3,150.00	\$3,150.00	\$3,150.00	\$3,150.00	3%
R. JAY MANAGEMENT LTD. (BC Extraprovincial Reg. No. A0105910) 660 Caldew Street, Delta, B.C. V3M 5S2	\$65,100.00	\$65,100.00	\$65,100.00	\$65,100.00	62%
J.V. DRIVER INVESTMENTS INC.	\$25,200.00	\$25,200.00	\$25,200.00	\$25,200.00	24%

SCHEDULE B
GRID

DATE	AMOUNT OF ADVANCE	AMOUNT OF REPAYMENT	UNPAID PRINCIPAL BALANCE	RECORDED BY
August 6, 2021	\$50,000 (Gatland)		\$50,000	<i>Om</i>
August 9, 2021	\$50,000 (SS)		\$100,000	<i>Om</i>
August 10, 2021	\$50,000 (REV)		\$150,000	<i>Om</i>
August 11, 2021	\$105,000 (2ML)		\$255,000	<i>Om</i>
September 7, 2021	\$105,000 (2ML)		\$360,000	<i>Om</i>
September 9, 2021	\$50,000 (SS)		\$410,000	<i>Om</i>
September 9, 2021	\$50,000 (Gatland)		\$460,000	<i>Om</i>
September 13, 2021	\$50,000 (REV)		\$510,000	<i>Om</i>
October 1, 2021	\$50,000 (REV)		\$560,000	<i>Om</i>
October 15, 2021	\$105,000 (2ML)		\$665,000	<i>Om</i>
October 18, 2021	\$50,000 (Gatland)		\$715,000	<i>Om</i>
October 25, 2021	\$50,000 (SS)		\$765,000	<i>Om</i>
November 10, 2021	\$12,000 (SS)		\$777,000	<i>Om</i>
November 10, 2021	\$12,000 (Gatland)		\$789,000	<i>Om</i>
November 23, 2021	\$12,000 (REV)		\$801,000	<i>Om</i>
November 29, 2021	\$13,000 (REV)		\$814,000	<i>Om</i>

December 1, 2021	\$3,000 (SS)		\$817,000	<i>Om</i>
December 1, 2021	\$13,000 (Gatland)		\$830,000	<i>Om</i>
December 16, 2021	\$25,000 (Gatland)		\$855,000	<i>Om</i>
December 16, 2021	\$25,000 (REV)		\$880,000	<i>Om</i>
December 22, 2021	\$35,000 (SS)		\$915,000	<i>Om</i>
December 31, 2021	\$20,000 (SS)		\$935,000	<i>Om</i>
January 6, 2022	\$50,000 (Gatland)		\$985,000	<i>Om</i>
January 6, 2022	\$50,000 (REV)		\$1,035,000	<i>Om</i>
January 12, 2022	\$30,000 (SS)		\$1,065,000	<i>Om</i>
January 28, 2022	\$105,000 (2ML)		\$1,170,000	<i>Om</i>
January 26, 2022	\$15,000 (Gatland)		\$1,185,000	<i>Om</i>
January 28, 2022	\$15,000 (REV)		\$1,200,000	<i>Om</i>
January 28, 2022	\$15,000 (SS)		\$1,215,000	<i>Om</i>

This is **Exhibit "L"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Tu

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

SUMMARY OF 2ML ADVANCES AND 2ML PROMISSORY NOTES

2ML – ADVANCES			
Advance and Date	Principal	Interest	Related Promissory Note
Initial Advance September 26, 2018	\$8,561,015	<p>(a) On the principal amount:</p> <p>(i) 15% per annum for the period from September 26, 2018 to and including November 30, 2018, compounded monthly; and</p> <p>(ii) 18% per annum for the period from December 1, 2018 to and including July 9, 2019, compounded monthly; and</p> <p>(b) on the principal amount plus outstanding interest thereon to July 9, 2019:</p> <p>(i) 18% per annum for the period from July 10, 2019 to and including October 31, 2019, compounded monthly; and</p> <p>(ii) 15% per annum for the period from and after November 1, 2019 until repayment of the Initial Advance and accrued but unpaid interest thereon, compounded monthly.</p>	<p>Promissory Note dated September 26, 2018 issued by the LP, GP and 1107782 B.C. Ltd in favour of:</p> <p>MNB Enterprises Inc.; R. Jay Management Ltd.; G. Wong Holdings Inc.; Gatland Development Corporation and REV Investments Inc.,</p> <p>in the amount of \$8,561,015, now cancelled.</p>
First Advance November 7, 2018	\$13,000,000	<p>The First Advance, Second Advance, Third Advance and Fourth Advance bear interest at the following rates:</p> <p>(a) in respect of the First Advance, the Second Advance and the Third Advance, on their respective principal amounts, 15% per annum for the period from the applicable date of advance to and including July 9, 2019, compounded monthly; and</p> <p>(b) on their respective principal amounts plus (in the</p>	<p>Promissory Note ("First Advance Promissory Note") (originally issued on November 7, 2018 and amended and restated on August 8, 2018, November 1, 2019 and July 27, 2020) issued by the Petitioners in favour of the 2ML Agent, in the principal amount of: \$1,950,000, with the principal sum bearing interest at the following rates:</p> <p>- 30% per annum from November 7, 2018 to July 9, 2019, compounded monthly;</p> <p>- 18% per annum from July 10, 2019 to October 31, 2019, compounded monthly; and</p>

2ML – ADVANCES			
Advance and Date	Principal	Interest	Related Promissory Note
		<p>case of the First Advance, the Second Advance and the Third Advance) interest accrued to July 9, 2019:</p> <p>(i) 18% per annum for the period from July 10, 2019 (or, if later, the disbursement date of the relevant Advance) to and including October 31, 2019, compounded monthly; and</p> <p>(ii) 15% per annum for the period from and after November 1, 2019 until repayment of the applicable Advances and accrued but unpaid interest thereon, compounded monthly.</p>	<p>- 15% per annum for the period from and after November 1, 2019 until repayment of the principal and accrued but unpaid interest thereon, calculated monthly.</p> <p>To be paid on or before October 31, 2021.</p>
Second Advance November 16, 2018	\$3,100,000	As set out for the First Advance.	<p>Promissory note ("Second Advance Promissory Note") (originally issued on November 16, 2018 and amended and restated on August 8, 2019, November 1, 2019 and July 27, 2020) issued by the Petitioners in favour of: R. Jay Management Ltd. in the principal amount of \$465,000, with the principal sum bearing interest at the following rates:</p> <p>- 30% per annum from November 16, 2018 to July 9, 2019, compounded monthly;</p> <p>- 18% per annum from July 10, 2019 to October 31, 2019, compounded monthly; and</p> <p>- 15% per annum for the period from and after November 1, 2019 until repayment of the principal and accrued but unpaid interest thereon, calculated monthly.</p> <p>To be paid on or before October 31, 2021.</p>
Third Advance	\$9,205,700	As set out for the First Advance.	<p>Promissory note ("Third Advance Promissory Note") (originally issued on February 15, 2019 and amended and</p>

2ML – ADVANCES			
Advance and Date	Principal	Interest	Related Promissory Note
February 15, 2019			<p>restated on August 8, 2019, November 1, 2019 and July 27, 2020) in favour of: J.V. Driver Investments Inc. in the principal sum of \$345,213.75, with the principal sum bearing interest at the following rates:</p> <ul style="list-style-type: none"> - from May 16, 2019 to July 9, 2019 a per diem fee of \$3,783.16; - 18% per annum from July 10, 2019 to October 31, 2019, compounded monthly; and - 15% per annum for the period from and after November 1, 2019 until repayment of the principal and accrued but unpaid interest thereon, calculated monthly. <p>To be paid on or before October 31, 2021.</p>
Fourth Advance July 18, 2018; and August 8, 2019	\$5,000,000	As set out for the First Advance.	<p>Promissory note ("Fourth Advance Promissory Note") (originally issued on February 15, 2019 and amended and restated on August 8, 2019 and with effect from November 1, 2019 and July 27, 2020) in favour of the 2ML Agent in the principal sum of \$346,888.12, with the principal sum bearing interest at a rate of 15% per annum, calculated daily.</p> <p>To be paid on or before October 31, 2021.</p>
Fifth Advance May 29, 2020	\$2,115,000	15% per annum from May 29, 2020 until repayment of the Fifth Advance and accrued but unpaid interest thereon, compounded monthly.	<p>Promissory note ("Fifth Advance Promissory Note") dated May 29, 2020, amended and restated July 27, 2020 issued by the Petitioners in favour of the 2ML Agent in the principal sum of \$2,115,000 with the principal sum bearing interest at a rate of 15% per annum, calculated daily.</p> <p>To be paid on or before April 30, 2022.</p>
Sixth Advance July 27, 2020	\$2,000,000	15% per annum from July 27, 2020 until repayment of the Sixth Advance and accrued but unpaid interest thereon,	<p>Promissory note ("Sixth Advance Promissory Note") dated July 27, 2020 issued by the Petitioners in favour of South Street (Alderbridge) Limited Partnership in the principal sum of</p>

2ML – ADVANCES			
Advance and Date	Principal	Interest	Related Promissory Note
		compounded monthly (subject to certain trigger events set to in the 2ML Credit Agreement).	\$2,000,000 with the principal sum bearing interest at a rate of 15% per annum, calculated daily. To be paid on or before April 30, 2022.
Seventh Advance May 31, 2021	\$225,000	The Seventh Advance bears interest at a rate of 15% per annum from May 31, 2021 until repayment and accrued but unpaid interest thereon, compounded monthly.	Three promissory notes (" Seventh Advance Promissory Notes "), each dated May 31, 2021, in the amount of \$75,000 and bearing interest at a rate of 15% per annum, calculated daily, one each issued in favour of: Gatland Development Corporation; REV Investments Inc.; and South Street (Alderbridge) Limited Partnership. To be paid on or before April 30, 2022.
Eighth Advance: advanced in tranches from August 2021- January 2022	\$1,215,000	The Eighth Advance bears interest at a rate of 15% per annum from the date of the respective advances, until repayment and accrued but unpaid interest thereon, compounded monthly.	Promissory note (" Eighth Advance Promissory Note ") dated August 5, 2021 issued by the Petitioners in favour of 2ML Agent in the principal sum of \$1,215,000 with the principal sum bearing interest at a rate of 15% per annum, calculated daily. To be paid on or before April 30, 2022.

This is **Exhibit "M"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Su

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

AMENDED AND RESTATED AGENCY AGREEMENT

THIS AGREEMENT, effective as of August 5, 2021,

BETWEEN:

1185678 B.C. LTD., a corporation duly incorporated pursuant to the laws of British Columbia under number BC1185678 and having its registered office at 1000 - 595 Burrard Street, Vancouver, BC, V7X 1S8, Canada,

(the "**Agent**")

AND:

R. JAY MANAGEMENT LTD., a company duly incorporated pursuant to the laws of the Bahamas, and extra-provincially registered in the Province of British Columbia under number under BC Reg. No. A0105910 having its registered office at 660 Caldew Street, Delta, BC, V3M 5S2,

("RJay")

- and -

G. WONG HOLDINGS INC., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0829611 and having its head office at 906 Main Street, Vancouver, BC, V6A 2W1

- and -

INLAND CONSULTING LTD., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0182675 and having its head office at 314, 1488 – 4th Ave., Prince George, BC, V2L 4Y2

- and -

VOTH DEVELOPMENTS LTD., a corporation duly incorporated pursuant to the laws of British Columbia under number BC1120750 and having its head office at 15080 North Bluff Road, White Rock, BC, V4B 5C1,

- and -

DENNIS SCHWAB, business person, of 2701 – 1281 West Cordova Street, Vancouver, British Columbia, V6C 3R5, and **LESLEY SCHWAB**, business person, of 2701 – 1281 West Cordova Street, Vancouver, BC, V6C 3R5,

- and -

J.V. DRIVER INVESTMENTS INC., a corporation duly incorporated pursuant to the laws of Canada under number 868593-2 and having its head office at 1205-5th Street, Nisku, Alberta T9E 7L6,

("JVDI")

- and -

MNB ENTERPRISES INC. a corporation duly incorporated pursuant to the laws of British Columbia under number BC08378816 and having its head office at 204-1302, 7th Avenue, Prince George, British Columbia V2L 3P1,

- and -

GATLAND DEVELOPMENT CORPORATION, a corporation duly incorporated pursuant to the laws of British Columbia under number BC0082496 and having its head office at 760 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1,

- and -

REV INVESTMENTS INC., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0865865 , and having its head office at V4X 1C7,

- and -

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, a limited partnership duly registered pursuant to the laws of British Columbia, by its general partner, **SOUTH STREET (ALDERBRIDGE) GP LTD.**, a corporation duly incorporated pursuant to the laws of British Columbia under number BC1134784, and having its registered office at 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2

(collectively the "**Lenders**", and with the Agent, the "**Parties**", and each, a "**Party**")

WITNESSES THAT WHEREAS:

- A. The Agent and the Lenders are parties to an amended and restated Agency Agreement dated as of July 27, 2020 (the "**Original Agency Agreement**") for the administration of the Loan to the Borrower pursuant to which the Lenders appointed the Agent, and the Agent accepted the appointment, to acquire and hold legal title to the Mortgage, as nominee, agent and bare trustee for the sole benefit and account of the Lenders as principals and beneficial owners thereof, and to collect and distribute the Funds, on the terms and conditions therein contained;
- B. The Lenders have entered into the Lenders' Agreement;
- C. The Lenders are or will be beneficially entitled to the Mortgage;
- D. The Borrower has issued or procured the issuance of the Security to the Agent on behalf of the Lenders; and
- E. The Parties have agreed to amend and restate the Original Agency Agreement as set out herein.

NOW THEREFORE, in consideration of the premises, covenants and agreements herein contained, \$10.00 now paid by the Lenders to the Agent, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. RECITALS AND AMENDED AND RESTATED AGREEMENT

The recitals to this Agreement are true and correct in substance and in fact.

This Agreement amends and restates the Original Lenders' Agreement in its entirety without novation.

2. DEFINITIONS

In this Agreement:

- (a) "**Agreement**" means this Agreement, including its recitals and schedules, as amended, restated and supplemented from time to time;
- (b) "**Beneficial Charge**" means the beneficiary authorization and charge agreement executed by the Limited Partnership as beneficial owner of the Lands in favour of the Agent to secure all obligations of the Borrower to the Lenders and each of them, present and future, direct and indirect and absolute or contingent, including, without limitation, those obligations specified in the Term Sheet, as the same may be amended or modified from time to time;
- (c) "**Borrower**" means collectively, Alderbridge Way Limited Partnership represented by its general partner, Alderbridge Way G.P. Ltd. and 0989705 B.C. Ltd. jointly and severally;
- (d) "**Corporate Lenders**" means, collectively, each of RJay, G. Wong Holdings Inc., Inland Consulting Ltd., Voth Developments Ltd., JVDI, MNB Enterprises Inc., Gatland Development Corporation, REV Investments Inc., and in the case of South Street (Alderbridge) Limited Partnership, its general partner, and each is a "**Corporate Lender**";

- (e) "**Funds**" means the aggregate principal sum of the Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance, the Sixth Advance, the Seventh Advance and the Eighth Advance, as each defined in the Term Sheet and all amounts due under the Promissory Notes, as that term is defined in the Term Sheet;
- (f) "**Guarantees**" means guarantees in respect of the Loan and interest on the Loan, to be granted by the Guarantors (as that term is defined in the Term Sheet);
- (g) "**Interest Rate**" means the applicable interest rate set out under the Term Sheet;
- (h) "**Lands**" means the properties civically described as 5333 and 5411 No. 3 Road, and 7968 Alderbridge Way, Richmond, British Columbia, Canada and includes any subsequent subdivision of the properties into which the properties are substantially included, whether or not part of the properties are removed or additional property added;
- (i) "**Lenders' Agreement**" means the amended and restated lenders' agreement dated as of June 1, 2021, as the same may be amended from time to time, made among the Lenders, a true and complete copy of which is attached hereto as Schedule C;
- (j) "**Limited Partnership**" means Alderbridge Way Limited Partnership;
- (k) "**Loan**" means the loan of the Funds to the Borrower for the Purpose in accordance with the Term Sheet;
- (l) "**Mortgage**" means a Form B mortgage (as may be modified from time to time) securing the Loan with interest thereon at the Interest Rate granted by 0989705 B.C. Ltd. to the Agent charging the Lands to secure all obligations of the Borrower to the Lenders and each of them, present and future, direct and indirect and absolute or contingent, including, without limitation, those obligations specified in the Term Sheet, a copy of which is attached hereto as Schedule A;
- (m) "**Mortgage Property**" means those lands legally described as Lot 1 Section 5, Block 4 North, Range 6 West, New Westminster District, Plan EPP86098, which include the Lands;
- (n) "**New Lender**" means any lender advancing funds under the Loan who is not a party to the Term Sheet, the Lender's Agreement or this Agreement as at the date of this Agreement;
- (o) "**Purpose**" means the payment of fees and land payments to the City of Richmond in respect of a proposed development of the Lands and funding of the proposed development (including excavation), except management fees, as more particularly described in the Term Sheet;
- (p) "**Security**" means the Mortgage, Beneficial Charge and the Guarantees; and
- (q) "**Term Sheet**" means the Amended and Restated Term Sheet dated as of June 1, 2021, executed by, *inter alios*, the Agent and the Borrower, a true and complete copy of which is attached hereto as Schedule B.

3. APPOINTMENT

The Lenders appoint the Agent as their nominee and agent to:

- (a) act as the sole and exclusive agent of the Lenders;
- (b) collect and forward the Funds;
- (c) hold legal title to the Mortgage for and on behalf of the Lenders;
- (d) otherwise administer the Loan on behalf of the Lenders; and
- (e) and distribute repayment of the Funds and applicable fees, charges and interest to the Lenders,

in accordance with this Agreement and as their interests may appear pursuant to the Lenders' Agreement. Subject to Section 7, the Agent shall have the full power to manage and deal with all matters related to its appointment and execute any instrument, document or encumbrance for the sole benefit and account of the Lenders, all at the direction of the Lenders as principal and beneficial owners and strictly in accordance with this Agreement and the Agent confirms its acceptance of such appointment.

4. NEW LENDERS

Concurrent with any advance by a New Lender, any New Lender under the Term Sheet shall execute (i) an amendment and restatement of this Agreement and thereby be added as a party to this Agreement, and (ii) an amended and restated Lenders' Agreement pursuant to which, unless the Lenders otherwise agree, such New Lender agrees that its right to receive payment shall rank in priority behind the existing Lenders.

5. INTEREST AND PRIORITY

The entitlement of the Lenders to interest at the Interest Rate and the respective priorities of the Lenders on distribution of interest and repayment of the Funds shall be as their interests may appear in the Lenders' Agreement.

6. CLOSING

The Lenders shall deliver to the Agent all documents and funds required or reasonably requested, from time to time, in connection with the Term Sheet. Provided that the Lenders have satisfied all of their obligations under this Agreement as determined solely by the Agent, then the Agent shall act in accordance with the written direction of the Lenders.

7. DIRECTIONS BY THE LENDERS; AGENT RESIGNATION

For the purposes of this Agreement, in connection with any direction to be given hereunder by the Lenders to the Agent, the Lenders agree and the Agent acknowledges that JVDI shall have the authority to provide any such direction to the Agent and the Agent does not have to make further inquiry with respect to any such direction received from JVDI. The Lenders (including JVDI) will severally and separately, and not jointly, indemnify and save harmless JVDI, its officers, directors, shareholders and agents (collectively with JVDI, the "**JVDI Parties**"), in proportion to each Lender's contribution, being principal and interest thereon, to the Loan from time to time, for any direct or indirect liabilities incurred

in connection with the JVDI Parties exercising such authority except for acts of negligence or wilful misconduct by the JVDI Parties.

JVDI will provide all directions to the Agent in writing.

An Agent may resign as agent, upon at least thirty (30) calendar days' prior written notice ("**Resignation Notice**") to the Lenders and the Borrower, such resignation to be effective upon the appointment of a successor Agent, but in any event no more than 60 days following the delivery of the Resignation Notice the "**Appointment Period**").

- (i) If an Agent delivers a Resignation Notice, the Lenders shall appoint a successor agent for the Lenders.
- (ii) The Lenders' shall make any decision in respect of appointing a successor agent for the Lenders on the basis of their respective proportion of indebtedness owed to each Lender by the Borrower.
- (iii) If no successor agent has been appointed by the Lenders', or if no successor agent has accepted by the expiry of the Appointment Period, the resigning Agent may appoint, after consulting with the Lenders and Borrower, a successor agent.
- (iv) After any retiring Agent's resignation as Agent, the provisions hereunder shall continue to inure to its benefit as to any actions taken or omitted to be taken by it while it was an Agent under this Agreement.
- (v) Upon the acceptance of its appointment as successor agent hereunder, such successor agent shall succeed to all the rights, powers and duties of the retiring Agent and the term "Agent" shall mean such successor agent and the retiring Agent's appointment, powers and duties as Agent shall be terminated.

8. AGENT'S AGREEMENTS

The Agent acknowledges and agrees that subject to Section 7:

- (a) the Agent will hold legal title to the Mortgage as nominee, agent and bare trustee for the sole benefit and account of the Lenders as principals and beneficial owners subject to and in accordance with this Agreement and subject to the terms and conditions of any transfer, deed, mortgage, debenture, security agreement, or other instrument, document or encumbrance pertaining to the Mortgage;
- (b) the Agent will have no equitable or beneficial interest in the Mortgage, and the equitable and beneficial interest in the Mortgage will be vested solely and exclusively in the Lenders;
- (c) any benefit, interest, profit or advantage arising out of or accruing from the Mortgage is and will continue to be a benefit, interest, profit or advantage of the Lenders and, if any benefit, interest, profit or advantage is received by the Agent, then it will be received and held by the Agent for the sole use, benefit, and advantage of the Lenders and the Agent will account to the Lenders for any money or other consideration paid to or to the order of the Agent in connection with the Mortgage as directed in writing by the Lenders;

- (d) the Agent will, upon the direction of the Lenders, deal with the Mortgage and do all acts and things in respect of the Mortgage at the expense of and as directed by the Lenders from time to time and will assign, transfer, convey, lease, mortgage, pledge, charge, or otherwise deal with the Mortgage or any portion of the Mortgage at any time and from time to time in such manner as the Lenders may determine, at the extent permitted under all relevant laws; without limiting the generality of the foregoing, the Agent will transfer legal title to the Mortgage to or as directed by the Lenders forthwith upon the written demand of the Lenders;
- (e) the Agent will, upon and in accordance with the direction of the Lenders, act as the agent of the Lenders, as undisclosed principal, in respect of any matter relating to the Mortgage or the performance or observance of any contract or agreement relating to the Mortgage;
- (f) acting under this Agreement at the direction of the Lenders, the Agent will have the full right and power to execute and deliver, under seal and otherwise, any transfer, deed, statement of adjustments, plan, lease, sublease, easement, right of way, license, restrictive covenant, building scheme, release or other instrument or document pertaining to the Mortgage without delivery of proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Lenders;
- (g) acting under this Agreement at the direction of the Lenders, the Agent will have the full right and power to borrow money from time to time and to covenant to repay money borrowed by the Lenders either alone or with others from time to time and to secure the repayment of any and all indebtedness and liabilities with respect to any amounts so borrowed by the grant of any charge or encumbrance (both fixed and floating) on, or security interest in, the Mortgage or any part thereof, by way of debenture, mortgage, assignment of rents, assignment of sale proceeds, security agreement or other instrument or document without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any land title office) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Lenders;
- (h) the Agent will not deal with the Mortgage in any way or execute any instrument, document or encumbrance in respect of the Mortgage without the prior consent or direction of the Lenders;
- (i) the Agent has no discretion to deal with the Mortgage in its capacity as bare trustee; and
- (j) the Agent will notify the Lenders forthwith upon receipt by the Agent of notice of any matter or thing in respect of the Mortgage or any portion of the Mortgage, including, without limitation, in respect of any tax, lien, charge or encumbrance in respect of the Mortgage.

9. REPRESENTATIONS, WARRANTIES AND COVENANTS

Each Corporate Lender (and in the case of South Street (Alderbridge) Limited Partnership, its general partner) represents and warrants to the Agent that it is a company duly incorporated under the laws of the

Province of British Columbia or, in the case of RJay and JVDI, a company duly incorporated under the laws of the Bahamas and Canada, respectively, and extra-provincially registered in the Province of British Columbia.

Each Corporate Lender represents and warrants to the Agent that this Agreement has been authorized by all necessary corporate action on the part of it.

The Agent represents and warrants to the Lenders that the Agent is a company duly incorporated under the laws of the Province of British Columbia and neither carries on nor intends to carry on a business that is a trust business as defined in the *Financial Institutions Act* (British Columbia).

This Agreement has been authorized by all necessary corporate action on the part of the Agent.

10. REIMBURSEMENT OF EXPENSES

Any payments or disbursements made by the Agent in connection with this Agreement will be made as the agent of and for the account of the Lenders, as principal, in accordance with the Lenders' Agreement and the Lenders will reimburse the Agent for any amount reasonably and properly expended by the Agent in connection with the Mortgage with the direction of the Lenders, but the Agent will not receive any fee or remuneration from the Lenders for acting under this Agreement. Any fees not reimbursed by the Borrower shall be for the account of the Lenders and shall be split equally amongst the Lenders.

11. TIME LIMITATION

The powers conferred on the Agent under this Agreement will not extend beyond the expiration of 80 years from the date of execution and delivery of this Agreement, unless renewed.

12. INDEMNITY BY LENDERS

Each Lender will severally and separately, and not jointly, indemnify and save harmless the Agent and each of its partners, directors, officers, employees, agents and advisors (collectively, the "**Indemnified Persons**") in proportion to each Lender's contribution to the Loan from time to time, from and against any and all liabilities, losses, costs, claims, damages, expenses or liabilities caused by or arising directly or indirectly from the Agent's holding of title to or dealing with the Mortgage as directed by the Lenders from time to time, any representation or warranty being made by the Lenders herein not being true or ceasing to be true, or the breach by the Lenders of any of the terms of this Agreement.

The indemnity in this Section 12 is deemed to be effective as a several and separate indemnity from and as of November 7, 2018, notwithstanding the original terms of the Agency Agreement.

The Agent acknowledges, confirms and agrees that the indemnity herein contained is made on a separate and several, and not joint, basis by the Lenders from and as of November 7, 2018.

13. NOTICES

Any notice given pursuant to or in connection with this Agreement will be in writing and delivered personally to the Party for whom it is intended at the last known address of such Party.

14. GOVERNING LAW

This Agreement and all matters arising under it will be governed by and construed in accordance with the laws of British Columbia, which will be deemed to be the proper law of this Agreement, and the Courts of British Columbia will have non-exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this Agreement and the validity, existence and enforceability of this Agreement.

15. NO WAIVER

No failure or delay on the part of any Party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited in this Agreement, a Party may, in its sole discretion, exercise any and all rights, powers, remedies and resources available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourse may be exercised concurrently or individually without the necessity of making any election.

16. AMENDMENT

This Agreement may be amended only by an agreement in writing signed by the Parties.

17. FURTHER ASSURANCES BY AGENT

The Agent will perform all such other acts and things and execute all such other documents as are necessary or desirable as directed by the Lenders to evidence or carry out the terms or intent of this Agreement.

18. FURTHER ASSURANCES BY PARTIES

Each of the Parties will execute all further documents and perform all other acts and deeds as and when the same may be required to carry out and give effect to the terms of this Agreement.

19. INDEPENDENT LEGAL ADVICE

Each Party hereto hereby acknowledges that such Party (and each of its related principals) has been advised to seek independent legal advice with respect to the execution and delivery of this Agreement and has sought such advice or has determined that such advice is not required.

20. ENUREMENT

This Agreement enures to the benefit of and is binding upon the respective successors, legal representatives and assigns of the Parties.

21. COUNTERPARTS

- (a) **Counterparts.** This Agreement may be executed in any number of original counterparts, with the same effect as if all the Parties had signed the same document, and will become effective when one or more counterparts have been signed by all the Parties and delivered to each of the other Parties. All counterparts will be construed together and evidence

only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the date first above written.

- (b) **Execution by Electronic Means.** This Agreement may be executed by the Parties and delivered by fax or other electronic means and if so executed and delivered this Agreement will be for all purposes as effective as if the Parties had executed and delivered an executed original of this Agreement.

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

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: James Wong

Name: R. James Wong

Title: PRESIDENT

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: 

Name: GEORGE WONG

Title: PRES.

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: Peter Thwaites

Title: President

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

LESLEY SCHWAB

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: 

Name: Ken D. Voth

Title: PRESIDENT

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: *[Signature]*

Name: *Roberts A. Thom*

Title: *President*

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: *[Signature]*

Name: *JASON MIZLAK*

Title: *PRESIDENT*

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____
Name: _____
Title: _____

G. WONG HOLDINGS INC.

By: _____
Name: _____
Title: _____

INLAND CONSULTING LTD.

By: _____
Name: _____
Title: _____


VOTH DEVELOPMENTS LTD.

By: _____
Name: _____
Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

MNB ENTERPRISES INC.

By: 
Name: Dennis Schwab
Title: Director


DENNIS SCHWAB


LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____
Name: _____
Title: _____

REV INVESTMENTS INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF the Parties have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____
Name: _____
Title: _____

G. WONG HOLDINGS INC.

By: _____
Name: _____
Title: _____

INLAND CONSULTING LTD.

By: _____
Name: _____
Title: _____

VOTH DEVELOPMENTS LTD.

By: _____
Name: _____
Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

MNB ENTERPRISES INC.

By: _____
Name: _____
Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: *CS* _____
Name: Chuck Sanders _____
Title: President _____

REV INVESTMENTS INC.

By: _____
Name: _____
Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, **SOUTH STREET (ALDERBRIDGE) GP LTD.**

1185678 B.C. LTD.

By: ^{DocuSigned by:} Sam Hanson
4DD32C490FB1430...
Name: Sam Hanson
Title: Director and CEO

By: _____
Name: _____
Title: _____

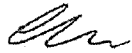
SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, **SOUTH STREET (ALDERBRIDGE) GP LTD.**

By: _____

Name: _____

Title: _____

1185678 B.C. LTD.

By:  _____

Name: Chuck Sanders _____

Title: Director _____

SCHEDULE A
MORTGAGE

See attached.

LAND TITLE ACT
FORM C (Section 233) CHARGE

Jul-28-2020 15:59:49.001

CA8327543

GENERAL INSTRUMENT - PART 1 Province of British Columbia

1595869434 PAGE 1 OF 4 PAGES

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

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

Boughton Law Corporation

700 - 595 Burrard Street PO Box 49290

File: 74555.5

Phone: 604-687-6789

Vancouver

BC V7X 1S8

Document Fees: \$74.87

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

030-721-733

LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER
DISTRICT PLAN EPP86098STC? YES

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Modification

CA7379146

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

(a) Filed Standard Charge Terms D.F. No.(b) Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

0989705 B.C. LTD., (INC. NO. BC0989705)

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

1185678 B.C. LTD.

660 CALDEW STREET

Incorporation No

DELTA

BRITISH COLUMBIA

BC1185678

V3M 5S2

CANADA

7. ADDITIONAL OR MODIFIED TERMS:

N/A

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

Officer Signature(s)

Execution Date

Transferor(s) Signature(s)

Brendan J. Craig

Barrister & Solicitor

1600 - 925 West Georgia St.

Vancouver, B.C. V6C 3L2

(604) 685 - 3456

Y	M	D
20	07	27

0989705 B.C. Ltd.

by its authorized signatory(ies):

Name: Graham A. Thom

Name:

OFFICER CERTIFICATION:

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

PART 2 – TERMS OF INSTRUMENT

THIS MODIFICATION OF MORTGAGE (this "**Modification**") dated for reference May 29, 2020.

BETWEEN:

0989705 B.C. LTD. (Inc. No. BC0989705)

AND:

1185678 B.C. LTD. (Inc. No. BC1185678)

WITNESSES THAT WHEREAS:

- A. Alderbridge Way Limited Partnership, by its general partner, Alderbridge Way GP Ltd., as beneficial owner, and 0989705 B.C. Ltd., as registered owner (collectively, the "**Mortgagor**") granted a mortgage dated November 7, 2018 and registered in the New Westminster Land Title Office (the "**Land Title Office**") on March 5, 2019 under Number CA7379146 (the "**Mortgage**") whereby the Mortgagor did grant and mortgage unto 1185678 B.C. Ltd. (the "**Lender**") those certain parcels of land and premises situate in the City of Richmond, Province of British Columbia and being more particularly known and described in Item 2 of the Form C General Instrument, attached hereto (the "**Lands**") to secure repayment of the principal sum of \$40,000,000.00 together with interest and other charges as provided in the Mortgage;
- B. Under the Mortgage, the Mortgagor also granted to the Lender an assignment of rents registered in the Land Title Office under No. CA7379147, by which the Mortgagor assigned, transferred and granted any and all rents thereafter to become due under any and all leases and agreements to lease with respect to the Lands as additional security to the Mortgage; and
- C. For good and sufficient reason, the parties hereto have agreed to modify the Mortgage in the manner hereinafter described.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the agreement of each of the parties hereto it is hereby agreed as follows:

1. From and including the date hereof (the "**Effective Date**") the Mortgage shall be modified as follows:
 - a. by deleting "\$40,000,000.00" from item 5 Payment Provisions (a) Principal Amount of the Mortgage – Part 1, Form B and inserting in lieu thereof "\$60,000,000.00" such that the Principal Amount of the Mortgage is now \$60,000,000.00;
 - b. by removing the check mark from the NO box in item 7 Mortgage secures a current or running account of the Mortgage – Part 1, Form B and inserting in lieu thereof a check mark in the YES box such that the Mortgage **does** secure a current or running account.

2. The Mortgagor covenants with the Lender to pay the principal sum together with interest and all other moneys secured by or payable under the Mortgage as hereby amended as and when the same become due and payable and to observe and perform all of the terms, conditions, provisos and covenants in the Mortgage as hereby amended.

3. This Modification shall from the Effective Date be read and construed along with the Mortgage and which shall, together with all the terms, covenants and conditions thereof, be and continue to be of full force, virtue and effect, save as the same are hereby modified.

4. This Modification does not prejudice any rights which the Lender may have under the Mortgage and shall not create any merger or alter or prejudice the rights of the Lender regarding any security collateral to the Mortgage or regarding any surety or subsequent encumbrances or any person not a party hereto liable to pay the mortgage moneys or interested in the Lands all of which rights are hereby reserved.

5. The Mortgagor and the Lender covenant and agree that whether or not this Modification is registered pursuant to the *Land Title Act* of British Columbia, the provisions hereof shall be binding upon them and the Mortgage shall be amended and modified accordingly and the same shall be read and construed as if the provisions hereof were therein written.

6. This Modification shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns respectively.

END OF DOCUMENT

NEW WESTMINSTER LAND TITLE OFFICE

LAND TITLE ACT
FORM B (Section 225)

Mar-05-2019 13:10:09.035

CA7379146 CA7379147

MORTGAGE - PART 1 Province of British Columbia

PAGE 1 OF 3 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Heather Diana Watt GRJHRA
Digitally signed by Heather Diana Watt GRJHRA
DN: c=CA, cn=Heather Diana Watt GRJHRA, o=Lawyer, ou=Verify ID at www.justice.com/UKUP.cfm?i=GRJHRA
Date: 2019.03.05 12:35:40 -0800

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

James D. Baird of James D. Baird Law Corporation
on behalf of Boughton Law Corporation
700 - 595 Burrard Street
Vancouver BC V7X 1S8
Document Fees: \$143.16

LTO Client No. 010408.
604-687-6789
File No. 74555.5

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID] [legal description]

NO PID NMBR LOT 1 SECTION 5 BLOCK 4 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN EPP86098

STC? YES

Related Plan Number: **EPP86098**

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

0989705 B.C. LTD.

200 - 1778 WEST 2ND AVENUE
VANCOUVER V6J 1H6
BRITISH COLUMBIA
CANADA

Incorporation No
BC0989705

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

1185678 B.C. LTD.

660 CALDEW STREET
DELTA CANADA
BRITISH COLUMBIA
V3M 5S2

Incorporation No
BC1185678

5. PAYMENT PROVISIONS:

(a) Principal Amount: \$40,000,000.00	(b) Interest Rate: 15% per annum	(c) Interest Adjustment Date: N/A	Y	M	D
(d) Interest Calculation Period: Annually, not in advance	(e) Payment Dates: N/A	(f) First Payment Date: N/A			
(g) Amount of each periodic payment: N/A	(h) <i>Interest Act</i> (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum.	(i) Last Payment Date: N/A			
(j) Assignment of Rents which the applicant wants registered ? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> If YES, page and paragraph number: Pages 17 to 19 Paragraph 9.02 of MT110105	(k) Place of payment: Postal Address in Item 4	(l) Balance Due Date: ON DEMAND			

MORTGAGE - PART 1

6. MORTGAGE contains floating charge on land ?
YES NO

7. MORTGAGE secures a current or running account ?
YES NO

8. INTEREST MORTGAGED:
Freehold
Other (specify)

9. MORTGAGE TERMS:

Part 2 of this mortgage consists of (select one only):

- (a) Prescribed Standard Mortgage Terms
- (b) Filed Standard Mortgage Terms
- (c) Express Mortgage Terms

D F Number: MT110105
(annexed to this mortgage as Part 2)

A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

SEE SCHEDULE

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

SEE SCHEDULE

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

HEATHER WATT
Barrister & Solicitor
700 - 595 Burrard Street
PO Box 49290
Vancouver, B.C. V7X 1S8
(604) 687-6789

Execution Date		
Y	M	D
18	11	7

Borrower(s) Signature(s)

0989705 B.C. LTD., by its
authorized signatory:

Name: Sam Hanson

OFFICER CERTIFICATION:

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

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 3 OF 3 PAGES

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

10. ADDITIONAL OR MODIFIED TERMS:

The Standard Mortgage Terms filed under MT110105 (the "Standard Mortgage Terms") are modified as follows:

1. by adding the following definition to paragraph 1.01:

" "Term Sheet" means the term sheet dated November 7, 2018 executed by the Mortgagor, amongst others, and the Mortgagee, as may be amended, restated, modified or replaced from time to time;".

2. by deleting the definition of "this Mortgage" in paragraph 1.01 and substituting the following:

" "this Mortgage" means the Mortgage Form, these Mortgage Terms and the Term Sheet read together.".

3. by deleting paragraph 1.05 and substituting the following:

"If there is any conflict between these Mortgage Terms, the Mortgage Form or the Term Sheet, the provisions of the Term Sheet shall govern.".

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

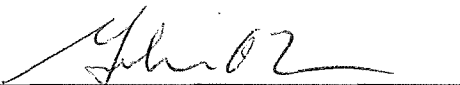
The Lender acknowledges that this mortgage is a second mortgage on the land and is to take precedence after and be subject to that certain mortgage and assignment of rents in favour of Romspen Investment Corporation (the "Prior Mortgage") irrespective of the date of execution or time and order of advances of the proceeds secured thereby together with interest, costs, charges and other expenses as therein provided, regardless of the respective times and dates of execution or registration in the Land Title Office of this mortgage and the said Prior Mortgage.

ACKNOWLEDGMENT OF RECEIPT OF MORTGAGE TERMS

Each of the undersigned hereby confirms that the undersigned, as their respective interests may appear, granted a mortgage and assignment of rents and/or beneficiary authorization and charge agreement to secure all indebtedness (as defined in the Terms) of the undersigned, from time to time, to 1185678 B.C. LTD., as mortgagee, which mortgage and assignment of rents consists of a Form B Mortgage (and all schedules and additional pages thereto, if any) dated contemporaneously herewith and filed standard mortgage terms registered under the *Land Title Act* under No. MT110105 (the "Terms") and each of the undersigned acknowledges receipt of a copy of the Terms and agrees to comply with and be bound by the Terms.

DATED this 7th day of November, 2018.


ALDERBRIDGE WAY LIMITED PARTNERSHIP,
by its general partner, **ALDERBRIDGE WAY GP LTD.**

Per: 
Authorized Signatory

0989705 B.C. LTD.

Per: 
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: 
Authorized Signatory

20 JUN 2011 13 22

DUPLICATE



STANDARD MORTGAGE TERMS

Filed By: Fraser Milner Casgrain LLP
 Address: 2000 – 250 Howe Street, Vancouver, British Columbia V6C 3R8
 Reference Date: June 20, 2011

FRASER MILNER CASGRAIN LLP ALL INDEBTEDNESS MORTGAGE
 LAND TITLE ACT REFERENCE NUMBER MT M1110105

These mortgage terms are deemed to be included in and form part of every mortgage, which incorporates them by reference.

1. DEFINITIONS AND INTERPRETATION

1.01 In this Mortgage, the following words and phrases have the meanings indicated:

“Collateral” means the goods subject to the security interest created by paragraph 2.01(b);

“Covenantor” means the person or persons, if any, who signed the Mortgage Form as covenantor and the heirs, personal representatives, successors and assigns of the Covenantor;

“Customer” means the person or persons, if any, whose present and future indebtedness, liabilities or obligations to the Mortgagee from time to time is or are guaranteed by the Mortgagor, and the heirs, personal representatives, successors and assigns of the Customer;

“Environmental Laws” means any and all international, federal, provincial, state, municipal or local laws, regulations, treaties, orders, judgments, decrees, ordinances, official directives and authorizations relating to the environment, Hazardous Materials or occupational health and safety from time to time having application to the Lands, the Collateral, the Mortgagor or the Mortgagor’s Interest;

“Event of Default” means one of the events of default under the Mortgage described in section 5;

“fiscal year” means the fiscal year of the Mortgagor or the Covenantor, as the case may be;

“financial statements” means the balance sheet, income statement, statement of retained earnings, statement of changes in financial position and such supporting schedules and notes, all fairly presenting the financial position of the Mortgagor or the Covenantor, as the case may be, all prepared in accordance with GAAP and containing comparative information for the preceding comparative period restated, if necessary, to conform to GAAP for the current period;

“financial statements for the Lands” means a statement of revenue and expenses arising from leasing and the operation of the Lands;

"GAAP" means generally accepted accounting principles, policies and standards which are provided for in the handbook of the Canadian Institute of Chartered Accountants consistently applied;

"Hazardous Materials" means all hazardous or toxic materials, pollutants, effluents, contaminants, radioactive materials, flammable explosives, chemicals known to cause cancer or reproductive toxicity, emissions, washes and all other chemicals, materials and substances, the handling, storage, release, transportation or disposal of which is or becomes prohibited, limited or regulated by any governmental or regulatory authority, or which, even if not so regulated, is or becomes known to pose a hazard to the health and safety of any person, including, without limitation, asbestos, petroleum and petroleum by-products, urea formaldehyde foam insulation, polychlorinated biphenyls, all substances from time to time designated as or considered to be a "contaminant", "waste", "hazardous substance", "hazardous material", "toxic substance" or a similar designation under any Environmental Law, including without limitation, the *Environmental Management Act*, having application to the Lands, the Collateral, the Mortgagor or the Mortgagor's Interest;

"Indebtedness" means:

- (a) all present and future Indebtedness and liability (whether absolute, contingent, direct, indirect, matured, unmatured, extended, renewed, joint or several) of the Mortgagor and the Customer (and each of them if more than one) to the Mortgagee, wheresoever and howsoever incurred and any ultimate balance thereof, including, without limitation, all advances on current or running account, future advances and re-advances, Interest and all costs, expenses and other moneys payable to the Mortgagee whether or not referred to in this Mortgage; and
- (b) all other obligations of the Mortgagor and the Customer to the Mortgagee whether or not contained in this Mortgage;

"Interest" means Interest at the Interest Rate owed to the Mortgagee under this Mortgage;

"Interest Margin", if applicable, means the percentage rate above the Prime Rate set out in the Mortgage Form;

"Interest Rate" means the interest rate described in the Mortgage Form, or such other rate or rates of interest as the Mortgagee and the Mortgagor may agree upon, and, if that interest rate is stated to be a rate above the Prime Rate, means the rate per annum equal to the aggregate of the Interest Margin and the Prime Rate in effect from time to time, and such rate shall change automatically, without notice to the Mortgagor, on each date the Prime Rate is changed;

"Lands" means the lands described in Item 2 of the Mortgage Form;

"Maximum Amount" means the amount of money described in Item 5(a) of the Mortgage Form as the principal amount;

"Mortgage Form" means Part I of the form of mortgage established by regulation under the British Columbia *Land Title Act* known as "Form B Mortgage" and all schedules thereto, which form refers to these Mortgage Terms and is signed by the Mortgagor and the Covenantor, if any;

"Mortgage Terms" means these filed mortgage terms;

"Mortgagee" means the person described in the Mortgage Form as the lender and mortgagee and the heirs, personal representatives, successors and assigns of the Mortgagee;

"Mortgagee's Address" means the address of the Mortgagee described in the Mortgage Form or any other address that the Mortgagee designates in writing;

"Mortgagor" means the person or persons described in the Mortgage Form as the borrower or mortgagor and who signed the Mortgage Form as the borrower or mortgagor, and the heirs, personal representatives, successors and assigns of the Mortgagor;

"Mortgagor's Address" means the address of the Mortgagor described in the Mortgage Form or any other address that the Mortgagor may notify the Mortgagee of in writing;

"Mortgagor's Interest" means the Mortgagor's presently held right, title and interest, described in Item 8 of the Mortgage Form, in and to the Lands and the Collateral and any other right, title or interest that the Mortgagor may in the future acquire in the Lands and the Collateral and includes, without limitation, all the Mortgagor's right, title and interest as the registered owner of the fee simple or of any charge affecting the Lands;

"Permitted Encumbrances" means charges, if any, affecting the Lands or the Mortgagor's Interest which are consented to in writing by the Mortgagee;

"person" includes an individual, a corporation and a partnership of individuals or corporations or a combination thereof;

"Place of Payment" means the place of payment described in the Mortgage Form or any other place of payment that the Mortgagee may notify the Mortgagor of in writing;

"Principal Amount" means the principal amount of the Indebtedness outstanding from time to time;

"Prime Rate" means the floating annual prime business interest rate established from time to time by the Bank of Canada;

"Receiver" includes a receiver, a receiver manager and a receiver and manager;

"Taxes" means the aggregate of:

- (a) all taxes, rates, duties or assessments now or hereafter owing or claimed in respect of the Mortgagor's Interest or any machinery, equipment or improvements on the Lands, to the extent such machinery, equipment or improvements form part of the Mortgagor's Interest, or arising out of any transaction between the Mortgagor and the Mortgagee, but does not include the Mortgagee's income or capital taxes;
- (b) all penalties, interest and other moneys added to the amounts described in (a) by the taxing authorities; and
- (c) all utility charges including those for electricity, gas, water, telecommunications, telephones and cable television now or hereafter owing or claimed in respect of the Mortgagor's Interest;

"this Mortgage" means the Mortgage Form and these Mortgage Terms read together.

- 1.02 The headings for sections of these Mortgage Terms have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Mortgage.
- 1.03 All provisions of this Mortgage shall have effect to the maximum extent permitted by law, notwithstanding any agreement to the contrary.
- 1.04 Whenever the singular or masculine is used in this Mortgage the same shall be deemed to include the plural or the feminine or the body corporate as the context may require.
- 1.05 If there is any conflict between these Mortgage Terms and the Mortgage Form, the provisions of the Mortgage Form shall govern.
- 1.06 Reference in these Mortgage Terms to any statute or Act shall mean that statute or Act, as it was on the date these Mortgage Terms were registered, and all amendments thereto and all legislation passed in substitution therefor.

2. MORTGAGE AND SECURITY INTEREST

2.01 For consideration:

- (a) the Mortgagor grants and mortgages to the Mortgagee absolutely the Mortgagor's interest to have and to hold to and for the use of the Mortgagee forever; and
- (b) without in any way limiting paragraph 2.01 (a), pursuant to the British Columbia *Personal Property Security Act* and all regulations thereto, as amended from time to time, the Mortgagor grants to the Mortgagee a security interest in the Mortgagor's right, title and interest in all goods which are now fixtures on the Lands and in all goods which hereafter become fixtures on the Lands, and the Mortgagor agrees that the security interest in such goods which are now fixtures attaches immediately and the security interest in such goods which become fixtures shall attach at the time the goods become fixtures.

2.02 This Mortgage will be void upon:

- (a) payment to the Mortgagee on demand of the Principal Amount up to the Maximum Amount;
- (b) payment to the Mortgagee on demand of Interest, both before and after maturity and before and after judgment, on the Principal Amount, up to the Maximum Amount;
- (c) payment of all costs, expenses and other moneys to which the Mortgagee is entitled by virtue of this Mortgage as and when such moneys become due and payable;
- (d) payment of Taxes; and
- (e) observance and performance of all agreements, provisos and conditions herein contained.

2.03 The Mortgagor releases to the Mortgagee all claims of the Mortgagor on the Mortgagor's interest subject to the foregoing proviso for redemption.

- 2.04 Every part into which the Mortgagor's Interest is or may hereafter be divided stands and shall stand charged with the whole of the Indebtedness and no person shall have any right to require the Indebtedness to be apportioned upon or in respect of such parts but the Mortgagee may release any part or parts of the Mortgagor's Interest with or without sufficient consideration and without releasing the Mortgagor from this Mortgage.
- 2.05 This Mortgage is and shall be a continuing security to the Mortgagee for the payment of all of the Indebtedness, notwithstanding that there shall have been:
- (a) any apparent change in the nature, state or form of any account of the Mortgagor or the Customer with the Mortgagee;
 - (b) any new advance or re-advance by the Mortgagee to the Mortgagor or the Customer, whether by loan, discount, the drawing of a cheque by the Mortgagor or the Customer or otherwise;
 - (c) any discount or acceptance by the Mortgagee from or for the Mortgagor or the Customer of any promissory note, bill of exchange, other negotiable instrument or other commercial paper;
 - (d) any credit of any amount to any account of the Mortgagor or the Customer by reason of deposit of moneys or otherwise; or
 - (e) any renewal, replacement, substitution, alteration, reduction, satisfaction, payment, release or discharge of any promissory note, bill of exchange, other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any security held therefor;

and no such event shall be deemed to be a payment on account of the Indebtedness or any part thereof or call for or require an application as payment on account of the Indebtedness or any part thereof, or in any way affect the security of this Mortgage, unless some officer of the Mortgagee shall give a receipt to the Mortgagor to that effect.

3. COVENANT TO PAY

- 3.01 The Mortgagor will pay to the Mortgagee, on demand, the Principal Amount, and until such payment the Mortgagor will pay to the Mortgagee on the last day of each and every month, Interest on the Principal Amount, calculated daily on the basis of the actual number of days elapsed divided by 365 (or, in the case of a leap year, 366) and aggregated for that month; provided that if the Mortgagor pays the Principal Amount, and pays interest at the rate or rates then in effect for the Indebtedness, at the times, in the manner and upon such other terms as otherwise may be agreed upon between the Mortgagor and the Mortgagee, the Mortgagor will not be obliged to pay the Principal Amount or Interest on the terms set out above.
- 3.02 If the Mortgagor fails to pay the Indebtedness, or any part thereof, including Interest, when due, the Mortgagor will pay to the Mortgagee compound interest thereon at the Interest Rate as well after as before maturity to be computed with rests on the last day of each month.
- 3.03 All payments to the Mortgagee hereunder shall be made at the Place of Payment. Any payment made after 1:00 p.m. local time at the Place of Payment shall be deemed to have been made on the next business day.

- 3.04 Any portion of the Indebtedness which by its terms is payable on demand may be prepaid at any time without notice, bonus or penalty. The Mortgagor may not prepay any other portion of the Indebtedness unless the Mortgagee agrees in writing to permit such prepayment.
- 3.05 All Interest payable in respect of the Indebtedness shall be calculated using the nominal rate method and not the effective rate method, and the deemed reinvestment principle shall not apply to such calculations.
- 3.06 Notwithstanding that this Mortgage is stated to be payable on demand, the Mortgagee will not make demand for payment of any portion of the Indebtedness which by its terms is not payable on demand unless and until an Event of Default has occurred and has not been waived by the Mortgagee.

4. REPRESENTATIONS AND WARRANTIES

The Mortgagor represents and warrants to the Mortgagee that:

- (a) the Mortgagor has the right to mortgage, charge and grant a security interest in the Mortgagor's Interest to the Mortgagee;
- (b) the Mortgagor has good title to the Mortgagor's Interest and has done no act to encumber the Mortgagor's Interest except for Permitted Encumbrances;
- (c) on default the Mortgagee shall have quiet possession of the Mortgagor's Interest free from all charges except Permitted Encumbrances;
- (d) there are no environmental risks or liabilities, or breaches or allegations of breaches of Environmental Laws, known to the Mortgagor which have not been disclosed to the Mortgagee.

5. DEFAULT

Unless waived by the Mortgagee in writing, each of the following shall be an Event of Default:

- (a) default of payment of the Indebtedness, or any part thereof, when due; or
- (b) breach by the Mortgagor or the Covenantor of any other agreement herein contained which breach is not rectified within 10 days of notice thereof to the Mortgagor; or
- (c) default of payment of any moneys payable under, or in the observance or performance of any agreement, term or condition of, any charge on the Mortgagor's Interest or any instrument creating or pertaining to the Mortgagor's Interest; or
- (d) breach by the Mortgagor, the Covenantor or the Customer of any agreement in any other agreement between the Mortgagee and any of them which breach is not rectified within the time provided for therein or, if no such time for rectification is specified, within 10 days of notice thereof to the Mortgagor; or
- (e) the Mortgagor, the Covenantor or the Customer makes an assignment for the benefit of any creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of provisions for relief under the

Bankruptcy and Insolvency Act, the Companies' Creditors Arrangement Act or similar legislation in any jurisdiction, or makes an authorized assignment; or

- (f) a Receiver of all or any part of the Mortgagor's Interest is appointed; or
- (g) an order of execution against the Mortgagor's Interest or any part thereof remains unsatisfied for a period of 10 days; or
- (h) any representation or warranty, whether or not contained herein, by or on behalf of the Mortgagor, the Covenantor or the Customer to the Mortgagee is untrue; or
- (i) without the prior written consent of the Mortgagee, the Mortgagor creates or permits to exist any mortgage, lien or charge on, claim against, or security interest in, the Mortgagor's Interest; or
- (j) the holder of any other mortgage, lien or charge on, claim against, or security interest in, the Mortgagor's Interest does anything to enforce or realize on such mortgage, lien, charge, claim or security interest; or
- (k) all or any portion of the Mortgagor's Interest is expropriated; or
- (l) the Mortgagor sells, conveys, transfers or enters into an agreement for sale of or transfer of title to the Mortgagor's Interest or any part thereof; or
- (m) if the Mortgagor, the Covenantor or the Customer is a corporation:
 - (i) an order is made or an effective resolution is passed for winding up any of them; or
 - (ii) any of them enters into an amalgamation, a merger or other similar arrangement with any other person; or
 - (iii) any of them ceases, or threatens to cease, to carry on its business; or
 - (iv) there is a change in control of any of them; or
- (n) if the Mortgagor, the Covenantor or the Customer is an individual, any of them dies or is declared incompetent to manage his or her affairs; or
- (o) the Mortgagor fails to comply with any work orders or other deficiency notices issued to the Mortgagor by any governmental authority having or claiming jurisdiction over the Lands or any buildings located on the Lands within 60 days of receiving any such work order or deficiency notice, or such longer period of time as the Mortgagee and the Mortgagor may agree upon from time to time.

6. MORTGAGEE'S REMEDIES

- 6.01 Upon the occurrence of an Event of Default, the Mortgagee may declare all or any portion of the Indebtedness which is not by its terms payable on demand to become immediately due and payable, and the Mortgagee may enforce and realize on the security of this Mortgage by any action permitted by law or in equity, and in particular the Mortgagee may do any one or more of the following:
- (a) apply to Court for an order that the Mortgagor's Interest be sold on terms approved by the Court;
 - (b) apply to Court to foreclose the Mortgagor's Interest;
 - (c) take whatever action is necessary to take, recover and keep possession of the Mortgagor's Interest;
 - (d) without notice sell the Mortgagor's Interest or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor, and on such terms as to credit and otherwise, and with such conditions of sale and stipulations as to title or evidence of title or otherwise as it shall in its discretion deem proper; and in the event of any sale on credit or for part cash and part credit, the Mortgagee shall not be accountable for or charged with any moneys until actually received; and the Mortgagee may rescind or vary any contract of sale and may buy in and resell the Mortgagor's Interest or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to inquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default or want of notice or other requirement, or any irregularity or impropriety of any kind shall invalidate any sale; and the Mortgagee may take sale proceedings hereunder, notwithstanding that other mortgage proceedings have been taken or are then pending; and for the purposes of this paragraph the Mortgagor hereby appoints the Mortgagee as its irrevocable attorney to exercise the aforesaid powers and to execute and do all deeds, documents and things as may be necessary in the circumstances;
 - (e) appoint a Receiver of the Mortgagor's Interest and of all the properties, assets, effects and undertakings (hereinafter all together called the "Undertakings") of the Mortgagor related to or arising out of the Mortgagor's Interest and may from time to time remove any Receiver so appointed and appoint another, but the Mortgagee shall be under no liability to the Receiver for the Receiver's remuneration or otherwise, and a Receiver so appointed shall be the agent of the Mortgagor and shall have power:
 - (i) to take possession of and get in the Mortgagor's Interest and the Undertakings;
 - (ii) to sell or lease or concur in selling or leasing the Mortgagor's Interest and the Undertakings;
 - (iii) to make any arrangement or compromise which he shall think expedient; and
 - (iv) to the extent permitted by law or to such lesser extent permitted by the Receiver's appointment, to carry on, or concur in the carrying on of, any development or improvement then in progress or otherwise contemplated by the Mortgagor related to the Mortgagor's Interest or the business of the Mortgagor relating to the Mortgagor's

Interest and for such purpose from time to time to borrow money either secured or unsecured, and if secured by security on the whole or any part of the Mortgagor's Interest and the Undertakings which security may rank before or pari passu with or behind this Mortgage as such security may specify and if it does not so specify it shall rank before this Mortgage; and

- (f) in respect of the Collateral, exercise the remedies of a secured party under the British Columbia *Personal Property Security Act*.

6.02 The net proceeds of any sale or lease, or both, hereunder shall be applied, subject to the claims of all secured and unsecured creditors (if any) ranking in priority to the mortgage and security interest created by this Mortgage, as the Mortgagee, in its absolute discretion, may direct:

- (a) in payment of any costs, charges, expenses and legal fees (between solicitor and own client):
 - (i) incurred by reason of non-payment of the Indebtedness and the exercise by the Mortgagee of any of its rights and remedies under this Mortgage; and
 - (ii) of and incidental to the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to the Receiver including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to the Mortgagee of the Principal Amount up to the Maximum Amount;
- (c) in or toward payment of Interest and compound interest;
- (d) in or toward payment of other moneys owing hereunder; and,

subject to applicable laws, the Mortgagee's right to payment of any amount of the Indebtedness that exceeds the Maximum Amount and the rights of other creditors, any surplus shall be paid to the Mortgagor.

7. GENERAL COVENANTS

7.01 The Mortgagor will execute such further assurances of the Mortgagor's Interest as the Mortgagee may require.

7.02 The Mortgagor will forthwith pay or cause to be paid:

- (a) all Taxes when due and, upon request, will furnish the Mortgagee with a copy of receipts for such payments;
- (b) all mortgages, liens, charges and security interests now or hereafter existing or claimed in respect of the whole or any part of the Mortgagor's Interest and, upon request, will furnish the Mortgagee with a copy of receipts for such payments;

- (c) all costs, charges, expenses and legal fees (between solicitor and own client) which may be incurred by the Mortgagee in:
 - (i) inspecting and appraising the value of the Mortgagor's Interest;
 - (ii) investigating title to the Mortgagor's Interest;
 - (iii) negotiating, preparing and registering this Mortgage and other necessary instruments;
 - (iv) taking, recovering and keeping possession of the Mortgagor's Interest;
 - (v) all other actions and proceedings taken in connection with or to realize on the security of this Mortgage, or to protect or enforce the Mortgagee's rights hereunder (including the Mortgagee's cost of the time and services of the Mortgagee's employees); and
 - (vi) preparing and executing a discharge of this Mortgage.

7.03 If the Mortgagee pays and satisfies the whole or any part of any Taxes, or of any mortgages, liens, charges or security interests now or hereafter existing or claimed in respect of the whole or any part of the Mortgagor's Interest, the Mortgagee shall be entitled to all the equities and securities of the person or persons so paid and the Mortgagor hereby authorizes the Mortgagee to retain any discharge thereof without registration for so long as the Mortgagee may think fit so to do.

7.04 The Mortgagor will:

- (a) obtain and maintain insurance, or cause insurance to be obtained and maintained, against such insurable risks and perils as the Mortgagee may direct including, without limitation, insurance against loss or damage by fire and other risks and perils to the Collateral and all other improvements now and hereafter on the Lands, to the extent that such improvements form part of the Mortgagor's Interest, in amounts not less than their full insurable value and, if such improvements include a steam boiler or any other object generating steam or operated by steam, the Mortgagor will insure and keep insured such improvements against loss or damage by explosion of such boiler or other object;
- (b) effect such insurance with such insurer and on such terms as may be approved by the Mortgagee with loss payable to the Mortgagee in priority to every person except the holder of any Permitted Encumbrances;
- (c) upon execution of the Mortgage Form, deliver to the Mortgagee a copy of the policy or policies evidencing such insurance and a copy of receipts for the premiums thereon;
- (d) at least 15 days prior to the expiry of an insurance policy and, should notice of cancellation be given, at least five days prior to the date fixed for cancellation of an insurance policy, deliver to the Mortgagee evidence of renewal or replacement as the case may be; and
- (e) effect such new insurance as the Mortgagee may require if the insurer or the insurance ceases to have the approval of the Mortgagee.

The Mortgagor waives any statutory right to require the insurance proceeds to be applied in any particular manner.

- 7.05 If the whole or any part of the Collateral or any other improvements now or hereafter on the Lands, to the extent that such improvements form part of the Mortgagor's Interest, is damaged the Mortgagor shall forthwith notify the Mortgagee.
- 7.06 All improvements now or hereafter on the Lands, to the extent that such improvements form part of the Mortgagor's Interest, including but without limiting the generality of the foregoing, all buildings, apparatus and equipment appurtenant to such improvements, are and shall be subject to the mortgage and security interest created by this Mortgage.
- 7.07 Without the prior written consent of the Mortgagee, the Mortgagor will not permit any part of the Lands which is subject to the Mortgagor's Interest to remain unoccupied or unused.
- 7.08 The Mortgagor will not do anything that has the effect of reducing the value of the Mortgagor's Interest, or any part thereof, or permit waste to be committed or suffered on the Lands and will maintain or cause to be maintained all Collateral and all other improvements now or hereafter on the Lands, to the extent that such improvements form part of the Mortgagor's Interest, in good order and repair to the satisfaction of the Mortgagee.
- 7.09 The Mortgagee may at such time or times as it may deem necessary and without the concurrence of the Mortgagor or any other person make such arrangements for repairing, finishing and maintaining the Collateral and any other improvements now or hereafter on the Lands, to the extent that such improvements form part of the Mortgagor's Interest, and for investigating, inspecting, taking care of, leasing, collecting of rents of and managing generally the Mortgagor's Interest, as it may deem expedient, without thereby becoming liable as a mortgagee in possession.
- 7.10 If the Mortgagor fails to make all payments required by clause 7.02 or paragraph 9.01 (b) or to insure pursuant to clause 7.04, the Mortgagee, without in any way being obliged to do so, may make such payments and effect such insurance, and all costs, charges, expenses and legal fees (between solicitor and own client) incurred by the Mortgagee in connection therewith and in connection with the exercise by the Mortgagee of its rights under clause 7.09, including an allowance for the time and services of any officer of the Mortgagee or other persons appointed for the above purpose, shall be:
- (a) a charge on the Mortgagor's Interest in favour of the Mortgagee prior to all claims subsequent to this Mortgage;
 - (b) payable by the Mortgagor forthwith; and
 - (c) added to the Indebtedness.
- 7.11 The taking of a judgment or judgments on any of the agreements herein contained shall not operate as a merger of such agreements or affect the Mortgagee's right to Interest and any such judgment shall provide that interest thereon be computed at the same rate or rates and in the same manner as herein provided until that judgment has been fully paid and satisfied.
- 7.12 Any portion of the Indebtedness may be advanced or re-advanced by the Mortgagee in one or more sums at any future date or dates by:

- (a) direct advances to the Mortgagor or the Customer;
- (b) the issue of letters of credit or letters of guarantee at the request of the Mortgagor or the Customer and payment under such letters of credit or letters of guarantee to the beneficiaries thereof; or
- (c) the acceptance of bills of exchange issued by the Mortgagor or the Customer and payment of such bills of exchange to the holders thereof;

and the amount of such advances, re-advances and payments when so made shall be secured by this Mortgage and be repayable with Interest and this Mortgage shall be deemed to be taken as security for the ultimate balance of the Indebtedness, whether arising from the current and running accounts represented by advances, re-advances and payments as aforesaid by the Mortgagee to the Mortgagor or the Customer under a line of credit or a current loan, or otherwise, and the mortgage and security interest created by this Mortgage shall take effect forthwith on the execution of the Mortgage Form. If this Mortgage is redeemed by the Mortgagor, it shall be cancelled and shall not be re-issued but:

- (d) any partial payment made thereon by the Mortgagor or the Customer to the Mortgagee; or
- (e) any ceasing by the Mortgagor or the Customer to be indebted to the Mortgagee;

shall be deemed not to be a redemption or cancellation pro tanto or otherwise, and this Mortgage shall be and remain valid security for any subsequent advance or re-advance by the Mortgagee to the same extent as if such advance or re-advance had been made on the execution of the Mortgage Form.

7.13 Except to the extent that the Mortgagee issues letters of credit or letters of guarantee or accepts bills of exchange or other negotiable instruments at the request of the Mortgagor or the Customer and is required to make payments thereunder:

- (a) neither the execution nor the registration of the Mortgage Form shall bind the Mortgagee to advance any moneys;
- (b) the advance of moneys or any part thereof under this Mortgage shall be in the sole discretion of the Mortgagee; and
- (c) the advance of moneys from time to time shall not bind the Mortgagee to advance any further moneys.

7.14 Any and all payments made in respect of the Indebtedness and the moneys or other proceeds realized from any securities held therefor (including this Mortgage) may be applied, and re-applied, notwithstanding any previous application, on such part or parts of the Indebtedness or such other indebtedness and liability of the Mortgagor or the Customer to the Mortgagee as the Mortgagee may see fit.

7.15 This Mortgage shall not nor shall anything herein contained operate so as to create any merger, rebate or discharge of any debt owing to the Mortgagee or of any lien, bond, promissory note, bill of exchange, guarantee or other security held by or which may hereafter be held by the Mortgagee from the Mortgagor, the Covenantor or the Customer, or from any other person or persons whomsoever,

and this Mortgage shall not in any way prejudicially affect any security held or which may hereafter be held by the Mortgagee for such indebtedness or the Indebtedness or any part or parts thereof or the liability of any endorser or any other person or persons upon any such lien, bond, promissory note, bill of exchange, guarantee or other security or any renewal thereof or replacement or substitution therefor held by the Mortgagee for or on account of such indebtedness or the Indebtedness or any part or parts thereof.

- 7.16 The taking of this Mortgage shall not operate as a merger of the remedies of the Mortgagee for payment of the Indebtedness or of the remedies of the Mortgagee under any lien, bond, promissory note, bill of exchange, other negotiable instrument, other commercial paper or guarantee and notwithstanding this Mortgage or anything contained herein such remedies shall remain intact and be capable of enforcement against the Mortgagor, the Covenantor, the Customer and all other persons liable for the Indebtedness or any part or parts thereof in the same manner and to the same extent as if the Mortgage Form had not been executed.
- 7.17 The Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any and all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with, the Mortgagor, the Covenantor, the Customer and all other persons and securities as the Mortgagee may see fit without prejudicing the rights of the Mortgagee under this Mortgage.
- 7.18 No sale or other dealing by the Mortgagor with the equity of redemption in the Lands or the Mortgagor's Interest shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor, the Covenantor, the Customer or any other person liable for payment of the Indebtedness.
- 7.19 The Mortgagor will observe and perform all agreements, terms and conditions in all instruments creating or pertaining to the Mortgagor's Interest.
- 7.20 The Mortgagor and the Covenantor will deliver to the Mortgagee:
- (a) within 90 days of the end of each fiscal year, copies of its financial statements and the report of its auditor, if any, thereon;
 - (b) if the Mortgagor leases the Lands to tenants, within 90 days of the end of each fiscal year, copies of the financial statements for the Lands; and
 - (c) at any time such other information as the Mortgagee may reasonably request.
- 7.21 The Mortgagor will adhere to and comply with all restrictive covenants affecting the Mortgagor's Interest and all laws, regulations, rules, notices and orders of Canada, British Columbia or any municipality or other authority having or claiming jurisdiction over the Lands and affecting the Mortgagor's Interest including, without limitation, Environmental Laws.

7.22 The Mortgagor shall indemnify the Mortgagee, and its officers, directors, employees, agents and shareholders, in their capacities as such, and hold each of them harmless from and against any and all losses, liabilities, damages, costs, expenses and claims of any and every kind whatsoever, including, without limitation:

- (a) the cost, liability or damage arising out of defending, counterclaiming or claiming over against third parties in respect of any action or matter;
- (b) any cost, liability or damage arising out of a settlement of any action or proceeding entered into by the Mortgagee; and
- (c) the costs of complying with the order, direction or request of any governmental or regulatory authority having jurisdiction;

which at any time or from time to time may be paid, incurred or asserted against any of them for, with respect to or as a result of:

- (d) the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Lands or into or upon any lands, the atmosphere or any watercourse, body of water or wetland of any Hazardous Material where it has been proven that the source of the Hazardous Material is the Lands; and
- (e) any Environmental Laws.

This clause 7.22 shall survive the repayment of the Indebtedness and all other amounts owing under this Mortgage and the granting of an order absolute of foreclosure of the Lands and shall continue in full force and effect so long as any possibility of any such liability, claim or loss exists and shall apply notwithstanding any knowledge which any of the foregoing persons may have concerning such liabilities, claims or losses either now or in the future.

7.23 The Mortgagor waives any right it may have in any jurisdiction to pay any part of the Indebtedness in a currency (a "Payment Currency") other than that which the Mortgagor or the Customer has agreed to pay (an "Agreed Currency"), and if:

- (a) any part of the Indebtedness is received by the Mortgagee in a Payment Currency, whether as a result of any judgment or order or the enforcement thereof, the liquidation, receivership, bankruptcy, or insolvency of the Mortgagor or for any other reason; and
- (b) the amount of Agreed Currency which results from the conversion of the Payment Currency so received is less than the amount of the Agreed Currency which the Mortgagee is entitled to receive;

the Mortgagor shall indemnify the Mortgagee for the deficiency and any loss sustained as a result. Such conversion shall be made at such prevailing rate of exchange on such date and in such market as is determined by the Mortgagee as being most appropriate for such conversion. The Mortgagor shall pay the costs of conversion. The obligations created by this clause 7.23 are in addition to all other obligations of the Mortgagor under, and are secured by, this Mortgage.

7.24 All payments to be made under this Mortgage shall be made:

- (a) without set-off or counterclaim; and
- (b) free and clear of and without deduction for or on account of all present and future taxes, levies, imposts, deductions, charges and withholdings whatsoever together with interest therein and penalties with respect thereto, if any, and any payments made on or in respect thereof (collectively "Withholding Taxes") unless the Mortgagor is compelled by law to make payment subject to such Withholding Taxes.

If any Withholding Taxes or amounts in respect thereof must be deducted or withheld from any amounts payable or paid under this Mortgage by the Mortgagor, the Mortgagor shall pay such additional amounts as may be necessary to ensure that, after all required deductions or withholdings (including deductions and withholdings resulting from any additional amounts required to be paid by reason of this clause), the Mortgagee receives a net amount equal to the full amount which it would have received had payment not been made subject to such Withholding Taxes. The Mortgagor shall deliver to the Mortgagee evidence reasonably satisfactory to the Mortgagee (including all relevant receipts) that each payment by the Mortgagor in respect of such Withholding Taxes relating to or arising out of this Mortgage on any amount paid or payable under this Mortgage, has been duly remitted to the appropriate authority, within 10 days of receipt of a written request by the Mortgagee to do so.

8. MISCELLANEOUS

8.01 Every certificate signed by an officer of the Mortgagee purporting to show:

- (a) the amount of indebtedness at any particular time due and payable under this Mortgage shall be prima facie evidence as against the Mortgagor of the amount due and payable at such time under this Mortgage; and
- (b) the Prime Rate at any particular time shall be conclusive evidence of the Prime Rate at that time.

8.02 The invalidity or unenforceability of the whole or any part of any section, clause or paragraph of this Mortgage shall not affect the validity or enforceability of any other section, clause or paragraph or the remainder of such section, clause or paragraph.

8.03 All agreements and liabilities entered into or imposed upon the Mortgagor, if more than one, shall be joint and several.

8.04 Time shall be of the essence hereof.

8.05 The Mortgagee may from time to time and at any time waive in whole or in part the benefit to it of any provision in this Mortgage or any default by the Mortgagor, the Covenantor or the Customer, but such waiver on any occasion shall be deemed not to be a waiver of such provision thereafter or of any subsequent default but no waiver shall be binding on the Mortgagee unless it is in writing.

8.06 In accordance with the British Columbia *Property Law Act*, the doctrine of consolidation is not abolished with respect to this Mortgage.

- 8.07 This Mortgage shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.
- 8.08 The Mortgagor waives all rights to receive from the Mortgagee a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Mortgage.
- 8.09 Any demand or notice herein referred to, or any notice or document relating to any action or other proceeding concerning this Mortgage, may be effectively given to the Mortgagor by the Mortgagee:
- (a) by leaving the same with an adult person on the Lands, if occupied, or placing the same on some portion thereof, if unoccupied; or
 - (b) by delivering the same or mailing the same by prepaid registered post to the Mortgagor at the Mortgagor's Address; or
 - (c) if the Mortgagor is a corporation, by delivering the same or mailing the same by prepaid registered post to the Mortgagor at its registered office; or
 - (d) by publishing the same twice in some newspaper published or circulating in the county or district in which the Lands are situate;

and to the Mortgagee by the Mortgagor by mailing such notice by prepaid registered post to the Mortgagee at the Mortgagee's Address. If the Mortgagor consists of more than one person, notice to any one of them shall be deemed to be notice to all of them.

9. SPECIAL INTERESTS

- 9.01 **Strata Lot:** If the Mortgagor's Interest, or any part thereof, forms part of a strata title development:
- (a) the Mortgagor shall comply with all provisions of the British Columbia *Strata Property Act*, its regulations and the by-laws and rules of the strata corporation (the "Strata Corporation") constituted by the deposit of the appropriate strata plan from time to time in force;
 - (b) the Mortgagor shall pay, on or before the due dates thereof, each and every assessment, contribution, charge, fine, interest or levy made by or on behalf of the Strata Corporation in respect of the Mortgagor's Interest;
 - (c) the Mortgagee is hereby authorized to apply to the Strata Corporation at any time and from time to time for certification of the matters referred to in paragraphs (a) and (b) above in connection with the Mortgagor's Interest, or that no moneys are owing to the Strata Corporation by the Mortgagor or to inspect or obtain copies of any records or other documents of the Strata Corporation that the Mortgagor is entitled to inspect or obtain;
 - (d) the Mortgagor's power and right to vote conferred on it by or under the *Strata Property Act* may be exercised by the Mortgagee in respect of all matters in relation to which the *Strata Property Act* allows or provides that the Mortgagee may vote, such power and rights being hereby assigned, transferred and set over unto the Mortgagee, and in respect of all other

matters, the Mortgagor hereby irrevocably appoints the Mortgagee as proxy for the Mortgagor to attend, speak and vote for and on behalf of the Mortgagor, but in the discretion of the Mortgagee, at all meetings of the Strata Corporation; provided the Mortgagee shall not be obliged to vote or to protect the interests of the Mortgagor and shall not be liable to the Mortgagor in connection with any consequences of the Mortgagee's exercise or failure to exercise such right to vote;

- (e) if for any reason whatsoever the Mortgagor votes at any meeting of the Strata Corporation, the Mortgagor shall, if directed by the Mortgagee, vote in such manner as the Mortgagee directs with respect to each and every matter to be voted;
- (f) if requested by the Mortgagee, the Mortgagor shall deliver to the Mortgagee, at least five days prior to each general meeting of the Strata Corporation, written notice of the meeting specifying the place, date, hour and purpose of the meeting;
- (g) at the request of the Mortgagee, the Mortgagor will deliver to the Mortgagee copies of all notices, financial statements and other documents given by the Strata Corporation to the Mortgagor; and
- (h) if the Strata Corporation transfers, charges or adds to the common property, or amends its bylaws and, in the Mortgagee's opinion, the value of the Mortgagor's Interest is reduced, the Indebtedness shall, at the option of the Mortgagee, become immediately due and payable.

9.02 **Assignment of Rents:** If the Mortgagor's Interest, or any part thereof, is or becomes subject to any lease, agreement to lease, tenancy, right of use or occupation, or licence (all of which leases, agreements to lease, tenancies, rights and licences are in this clause collectively called the "Leases"):

- (a) the Mortgagor transfers and assigns to the Mortgagee absolutely all rents and moneys of whatsoever nature or kind including repayment of tenant inducements, operating expenses and other revenue (in this clause called the "Rents") now due and payable or which may hereafter become due and payable:
 - (i) under all existing and future Leases in respect of the whole or any portion of the Mortgagor's Interest; and
 - (ii) under every existing and future guarantee of each and every one of the obligations of each and every existing or future tenant, user, occupier, or licensee of the whole or any portion of the Mortgagor's Interest;

together with the benefit of all covenants and rights therein, and, specifically, in the Leases contained, and the full power and authority to demand, collect, sue for, distrain for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Mortgagor, as security for payment of the Indebtedness;

- (b) the Mortgagor represents and warrants to the Mortgagee that:
 - (i) it has not terminated, cancelled or accepted surrender of any of the Leases or waived, released, reduced or abated any rights or remedies of the Mortgagor or obligations of any other party under any of the Leases or in connection with any of the Leases;

- (ii) none of those rights, remedies or obligations are affected by any other agreement, document or understanding or by any reduction, abatement, defence, set-off, or counterclaim, except those consented to in writing by the Mortgagee;
 - (iii) no Rents have been paid in advance for a period exceeding one month;
 - (iv) there are no existing defaults under any of the Leases; and
 - (v) there are no outstanding disputes under any of the Leases;
- (c) the Mortgagor agrees with the Mortgagee that:
- (i) without the prior written consent of the Mortgagee, it will not terminate, cancel or accept surrender of any of the Leases or waive, release, reduce or abate any rights or remedies of the Mortgagor or obligations of any other party under any of the Leases or in connection with any of the Leases;
 - (ii) without the prior written consent of the Mortgagee, none of such rights, remedies or obligations will be affected by any other agreement, document or understanding or by any reduction, abatement, defence, set-off, or counterclaim;
 - (iii) without the prior written consent of the Mortgagee, none of the Leases or the Mortgagor's rights thereunder including the right to receive the Rents, will be amended, assigned, encumbered, discounted or anticipated;
 - (iv) without the prior written consent of the Mortgagee, no Rents will be paid in advance for a period exceeding one month;
 - (v) it will observe and perform all of its obligations under each of the Leases;
 - (vi) a true copy of each of the Leases will be delivered by the Mortgagor to the Mortgagee upon demand by the Mortgagee;
 - (vii) it will execute such further assurances as may be required by the Mortgagee from time to time to perfect this assignment, including without limiting the generality of the foregoing, whenever any Lease not now existing is made or arises, it will, upon demand by the Mortgagee at any time, forthwith give the Mortgagee a specific assignment of the rents and guarantees thereunder, if any, similar to this assignment and will give any other parties thereto notice of such assignment and will obtain from them acknowledgements of such notice;
 - (viii) without the prior written consent of the Mortgagee, it will not lease or agree to lease or grant any licence or user of any part of the Mortgagor's Interest except at a rent and on terms and conditions and to tenants which are not less favourable or desirable to the Mortgagor than those which a prudent landlord would expect to receive for the premises to be leased;

- (ix) nothing herein contained shall have the effect of making the Mortgagee responsible for the collection of the Rents, or any of them, or for the performance of or in respect of the Leases, or any of them, to be observed or performed by the Mortgagor and the Mortgagee shall not, by virtue of this assignment or its receipt of the Rents or any of them, become or be deemed a mortgagee in possession of the Lands and the Mortgagee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents, or any of them, or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases, or any of them, and the Mortgagee shall be liable to account only for such monies as shall actually come into its hands, less proper collection charges, and such monies may be applied on account of any indebtedness of the Mortgagor to the Mortgagee; and
- (x) upon demand by the Mortgagee at any time, the Mortgagor shall, and, at any time, the Mortgagee may, notify each and every one of the parties so obligated to pay the Rents, or any part thereof, that the same have been assigned to the Mortgagee;
- (d) the Mortgagee may enforce its rights under this clause 9.02 independently of its rights under clause 6.01; and
- (e) provided that so long as the Mortgagor does not accept prepayment of any Rents (other than the current month's Rent and the last month's Rent) the Mortgagor may collect and deal with any Rents prior to the occurrence of an Event of Default.

9.03 **Leasehold Mortgage:** If the Mortgagor's Interest, or any part thereof, is as a lessee of the Lands, or any part thereof, under a lease, agreement to lease, tenancy, right of use or occupation, or licence or any renewal, replacement or extension thereof (all of which leases, agreements to lease, tenancies, rights, licences, renewals, replacements and extensions are in this clause collectively called the "Lease"):

- (a) the Mortgagor grants and mortgages to the Mortgagee by sub-demise the Mortgagor's Interest and the Lease;
- (b) if the Lease cannot be effectively charged without consent, any charge intended to be created by this Mortgage upon 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;
- (c) the last 10 days of the Mortgagor's right to occupy or use the Lands under the Lease are excepted out of the charge created by this Mortgage;
- (d) the Mortgagor represents and warrants to the Mortgagee that the Lease is in good standing, the Mortgagor has the right to mortgage the Lease to the Mortgagee, all rents or other moneys payable under the Lease have been paid and all other obligations under the Lease, whether of the Mortgagor or the landlord, have been performed or complied with;
- (e) the Mortgagor agrees that any default under the Lease shall be deemed to be an Event of Default;

- (f) without the prior written consent of the Mortgagee, the Mortgagor will not surrender or terminate the Lease or permit any amendment of the terms of the Lease; and
- (g) unless otherwise permitted by the Mortgagee, the Mortgagor shall exercise every renewal of the Lease.

9.04 **Mortgage of Mortgage:** If the Mortgagor's Interest, or any part thereof, is as a mortgagee of the Lands, or any part thereof, under a mortgage (in this clause called the "Head Mortgage"):

- (a) the Mortgagor transfers and assigns to the Mortgagee absolutely all the right, title and interest of the Mortgagor in and to the Head Mortgage and the moneys now and hereafter owing thereunder, together with the full benefit of all the Mortgagor's powers under the Head Mortgage, including any guarantee contained in the Head Mortgage, and grants to the Mortgagee, full power and authority to use the name of the Mortgagor for enforcing the performance of the covenants and other matters and things contained in the Head Mortgage;
- (b) the Mortgagor represents and warrants to the Mortgagee that the Head Mortgage is good and valid security;
- (c) the Mortgagor represents and warrants to the Mortgagee that the Mortgagor has not done, nor permitted any act, matter or thing whereby the Head Mortgage has been assigned to another person, released or discharged, either in whole or in part;
- (d) the Mortgagor agrees that default of any kind under the Head Mortgage or the Mortgagor becoming entitled to take any action or proceeding under the Head Mortgage shall be deemed to be an Event of Default;
- (e) the Mortgagor shall not accept any prepayment of the moneys owing under the Head Mortgage other than in accordance with the terms thereof; provided that, if the Mortgagor is obliged to accept a prepayment, the amount thereof shall be paid to the Mortgagee as a prepayment of the Indebtedness unless the Mortgagee waives such prepayment; and
- (f) without the prior written consent of the Mortgagee, the Mortgagor will not permit any amendment to the terms of the Head Mortgage.

9.05 **Interest in Right to Purchase:**

- (a) If the Mortgagor's Interest, or any part thereof, is the vendor's fee simple subject to a right to purchase (in this clause called the "Right to Purchase"):
 - (i) the Mortgagor transfers and assigns to the Mortgagee absolutely all the right, title and interest of the Mortgagor in and to the Right to Purchase together with the full benefit of all the Mortgagor's powers under the Right to Purchase, and grants to the Mortgagee full power and authority to use the name of the Mortgagor for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase;
 - (ii) the Mortgagor shall not accept any prepayment of the Right to Purchase other than in accordance with the terms thereof, provided that if the Mortgagor is obliged to accept

a prepayment, the amount thereof shall be paid to the Mortgagee as a prepayment of the Indebtedness unless the Mortgagee waives such prepayment; and

- (iii) without the prior written consent of the Mortgagee, the Mortgagor will not permit any amendment to the terms of the Right to Purchase.
- (b) If the Mortgagor's Interest, or any part thereof, is that of a purchaser under a Right to Purchase:
- (i) the Mortgagor transfers and assigns to the Mortgagee absolutely all the right, title and interest of the Mortgagor in and to the Right to Purchase together with the full benefit of all the Mortgagor's powers under the Right to Purchase, and grants to the Mortgagee full power and authority to use the name of the Mortgagor for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase;
 - (ii) the Mortgagor shall comply with all the terms and conditions of the Right to Purchase, and any default by the Mortgagor under the Right to Purchase shall be deemed to be an Event of Default; and
 - (iii) without the prior written consent of the Mortgagee, the Mortgagor will not permit any amendment to the terms of the Right to Purchase.

9.06 **Development Mortgage:** If the Mortgagor is borrowing all or part of the Indebtedness in order to purchase the Lands or construct utilities, improvements or buildings thereon, or both (in this clause called the "Development"), the Mortgagor agrees with the Mortgagee that:

- (a) the Development being or to be carried out on the Lands forms part of the security for the Indebtedness;
- (b) the Mortgagor will carry on construction of the Development continuously, diligently and with dispatch until completed and will devote its full efforts and energy to the development and construction of the Development and shall not abandon or delay completion of the Development or, without the prior written consent of the Mortgagee, depart from any plans and specifications provided to the Mortgagee in connection with the Development;
- (c) the Mortgagor will construct the Development in a good and workmanlike manner using first class quality materials in accordance with the aforesaid plans and specifications and will comply with all restrictions, conditions, ordinances, codes, regulations and laws of governmental authorities having jurisdiction over, or an interest in, the Lands or the Development including, without limitation, all Environmental Laws; and
- (d) the Mortgagor 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 and other charges of any nature and kind (in this clause collectively called the "Liens") which could in any circumstances constitute a lien or charge having priority over this Mortgage and will from time to time on demand provide the Mortgagee with such books, payrolls and other records, receipts, certificates and declarations as the Mortgagee may deem necessary to satisfy itself that such Liens have been paid as soon as they are due, and if a

builder's lien or Lien is filed against the Lands, the Mortgagor will cause that lien or Lien to be removed forthwith upon notice by the Mortgagee.

10. COVENANTOR

10.01 For consideration, the Covenantor agrees with the Mortgagee that:

- (a) the Covenantor will at all times pay, or cause to be paid, the Indebtedness as and when due in accordance with its terms;
- (b) the Covenantor adopts each and every agreement of the Mortgagor as set out in this Mortgage and agrees with the Mortgagee to observe and perform all such agreements;
- (c) for greater certainty:
 - (i) the taking of this Mortgage shall not operate as a merger of the remedies of the Mortgagee for payment of the Indebtedness or of the remedies of the Mortgagee under any lien, bond, promissory note, bill of exchange, other negotiable instrument, other commercial paper or guarantee and notwithstanding this Mortgage or anything contained herein such remedies shall remain intact and be capable of enforcement against the Mortgagor, the Covenantor, the Customer and all other persons liable for the Indebtedness or any part or parts thereof in the same manner and to the same extent as if the Mortgage Form had not been executed;
 - (ii) the Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any and all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with, the Mortgagor, the Covenantor, the Customer and all other persons and securities as the Mortgagee may see fit without prejudicing the rights of the Mortgagee under this Mortgage;
- (d) all agreements and liabilities entered into or imposed upon the Covenantor, if more than one, shall be joint and several; and
- (e) demand may be made upon, and notice may be given to, the Covenantor in the same manner as to the Mortgagor under this Mortgage.

10.02 The Covenantor acknowledges receipt of a copy of this Mortgage.

10.03 The Covenantor waives all rights to receive from the Mortgagee a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Mortgage.

END OF DOCUMENT

SCHEDULE B

AMENDED AND RESTATED TERM SHEET

See attached.

AMENDED AND RESTATED TERM SHEET

In consideration of the premises and the mutual covenants hereinafter contained and for consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to enter into this Amended and Restated Term Sheet, dated as of August 5, 2021, which amends, restates and replaces the terms and conditions upon which the Lenders:

- (a) advanced \$8,561,014.76 (the “**Initial Advance**”);
- (b) advanced \$13,000,000.00 (the “**First Advance**”) under the Term Sheet (as defined below);
- (c) advanced \$3,100,000.00 (the “**Second Advance**”) under the Term Sheet;
- (d) advanced \$9,205,700 (the “**Third Advance**”) under the Term Sheet;
- (e) advanced \$5,000,000 (the “**Fourth Advance**”) under the Term Sheet;
- (f) advanced \$2,115,000 (the “**Fifth Advance**”) under the Term Sheet; and
- (g) advanced \$2,000,000 (the “**Sixth Advance**”) under the Term Sheet,

and sets out the terms and conditions on which the Lenders (i) advanced \$225,000 (the “**Seventh Advance**”), (ii) will advance up to an aggregate amount equal to \$1,215,000 in several tranches in accordance with the terms herein, including certain payments of up to \$105,000/month, for a period of four months, in accordance with the allocations set out in Schedule B hereof, in accordance with the terms herein (the “**Eighth Advance**”), and (iii) have agreed to advance further Advances (as defined below), subject to the terms and conditions hereof.

This Amended and Restated Term Sheet supersedes and replaces, without novation, the term sheet dated November 7, 2018, as amended by the first amendment to term sheet dated November 26, 2018, as amended and restated by the amended and restated term sheet dated February 15, 2019, as amended and restated by the amended and restated term sheet dated August 8, 2019, as amended and restated by the amended and restated term sheet dated as of November 1, 2019, as amended and restated by the amended and restated term sheet dated as of May 29, 2020 and as amended and restated by the amended and restated term sheet dated as of July 27, 2020 (the “**Term Sheet**”) PROVIDED THAT all security (the “**Security**”) as set out in section 11 plus any other documents previously delivered in connection with any former Term Sheet shall (except to the extent previously discharged or released) be deemed to form a part of the Security and other documents to be delivered in connection with this Amended and Restated Term Sheet.

1. Borrower Alderbridge Way Limited Partnership (the “**Limited Partnership**”), Alderbridge Way GP Ltd. (the “**GP**”) and 0989705 B.C. Ltd. (the “**Nominee**”), together with the Limited Partnership and the GP, the “**Borrower**”), jointly and severally.

2. Lenders 1185678 B.C. Ltd, (the “**Agent**”) as agent for:

- (a) MNB Enterprises Inc., as to:
 - i. \$285,026.61 of the Initial Advance;
 - ii. \$400,000 of the Fifth Advance; and

- iii. up to \$16,800 of the Eighth Advance;
- (b) R. Jay Management Ltd., as to:
- i. \$4,849,538.94 of the Initial Advance;
 - ii. \$9,500,000 of the First Advance;
 - iii. \$3,100,000 of the Second Advance for the Landscape Letter of Credit (as defined below);
 - iv. \$5,000,000 of the Fourth Advance for the project costs of advancing the Project (as defined below) to the point of excavation, except management fees;
 - v. \$400,000 of the Fifth Advance; and
 - vi. up to \$260,400 of the Eighth Advance;
- (c) G. Wong Holdings Inc., as to:
- i. \$285,537.43 of the Initial Advance;
 - ii. \$500,000 of the First Advance;
 - iii. \$300,000 of the Fifth Advance; and
 - iv. up to \$12,600 of the Eighth Advance;
- (d) Gatland Development Corporation, as to:
- i. \$335,926.40 of the Initial Advance;
 - ii. \$110,000 of the Fifth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance;
- (e) REV Investments Inc., as to:
- i. \$2,804,985.38 of the Initial Advance;
 - ii. \$95,000 of the Fifth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance;
- (f) Voth Developments Ltd. as to:
- i. \$1,000,000 of the First Advance;
 - ii. \$200,000 of the Fifth Advance; and
 - iii. up to \$12,600 of the Eighth Advance;
- (g) Inland Consulting Ltd. as to:
- i. \$1,000,000 of the First Advance;
 - ii. \$300,000 of the Fifth Advance; and
 - iii. up to \$16,800 of the Eighth Advance;
- (h) Dennis Schwab and Lesley Schwab as to \$1,000,000 of the First Advance;

- (i) J.V. Driver Investments Inc., as to:
 - i. \$9,205,700 of the Third Advance for the Servicing Letter of Credit (as defined below); and
 - ii. up to \$100,800 of the Eighth Advance; and
- (j) South Street (Alderbridge) Limited Partnership as to:
 - i. \$310,000 of the Fifth Advance;
 - ii. \$2,000,000 of the Sixth Advance;
 - iii. \$75,000 of the Seventh Advance; and
 - iv. up to \$265,000 of the Eighth Advance,

(the corporations, partnerships and individuals set out in subsections 2(a) to 2(j) above are referred to in this Amended and Restated Term Sheet as the “**Existing Lenders**”, and each individually, an “**Existing Lender**”. The Existing Lenders, collectively with any funder of a future Advance arranged by the Borrower under Section 3 below, are referred to in this Amended and Restated Term Sheet as the “**Lenders**”, and each individually, a “**Lender**”).

The Agent and the Lenders have, on the date hereof, entered into an amended and restated agency agreement (the “**Agency Agreement**”), and the Lenders, have, on the date hereof, entered into an amended and restated lender agreement (the “**Lenders Agreement**”), setting forth the respective financial interests of each of the Lenders in and to the Loan and the Security. All amounts set out in this Amended and Restated Term Sheet are in lawful currency of Canada except as expressly set out otherwise.

3. Loan Amount

The Lenders have agreed, subject the terms and conditions of this Amended and Restated Term Sheet, to advance a loan up to the principal amount of \$60,000,000 (the “**Loan**”) to the Borrower in several advances (together, and including the Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance, the Sixth Advance, the Seventh Advance and the Eighth Advance, the “**Advances**”). The Borrower, Agent and Lenders agree and confirm that the following Advances have been made as of the date of this Amended and Restated Term Sheet:

- (a) the Initial Advance in the amount of \$8,561,014.76;
- (b) the First Advance in the amount of \$13,000,000;
- (c) the Second Advance in the amount of \$3,100,000;
- (d) the Third Advance in the amount of \$9,205,700;
- (e) the Fourth Advance in the amount of \$5,000,000;

- (f) the Fifth Advance in the amount of \$2,115,000;
- (g) the Sixth Advance in the amount of \$2,000,000;
- (h) the Seventh Advance in the amount of \$225,000,

and that, as at the date of this Amended and Restated Term Sheet, the Agent holds \$105,000 (being the proceeds of the portion of the first tranche of the Eighth Advance referred to in paragraph (a)(i) of Section 5.9 below) to the order of the Borrower, subject only to Section 5.9 below.

Any additional amounts are to be determined and advanced in the sole and absolute discretion of the Lenders.

Notwithstanding any other provisions hereof, the Lenders will not be obligated to make any further Advances under the Loan.

Any further Advances the Lenders elect to make at any time after the Eighth Advance has been fully funded, will be in accordance with the following:

- (i) any proposed Advance will be made by the Lenders to the Agent which will subsequently advance such amount to the Borrower;
- (ii) the Borrower shall provide the Agent with 15 Business Days' notice of the funding of any proposed Advance, such notice to include:
 - (A) the purpose of the proposed Advance (which may include the refinancing of any existing Advance);
 - (B) the funding date of the proposed Advance;
 - (C) the amount of the proposed Advance;
 - (D) the pricing of the proposed Advance;
 - (E) details of the Lenders participating in the proposed Advance; and
 - (F) the amounts of such Lenders' respective participations in the proposed Advance;
- (iii) following the making of any proposed Advance, the aggregate amount of the outstanding Advances does not exceed \$60,000,000;
- (iv) R. Jay Management Ltd., and then any other Existing Lender, shall have the first right of refusal to lend all or part of any additional Advances, which first right of refusal must be exercised within 10 Business Days of the Borrower's request for an additional Advance. In the event that R. Jay Management Ltd. or another Existing Lender or Existing Lenders make

only part of a requested additional Advance or do not participate in any requested additional Advance, the Agent shall have approval over any new Lender(s) (i.e. any Lender that is not an Existing Lender) participating in a proposed Advance, with such approval not to be unreasonably withheld; and

- (v) the Lenders participating in the proposed Advance, to the extent they are not already parties to this Amended and Restated Term Sheet, shall be presented with terms no more favourable than the terms of the current Advances hereunder, and shall, prior to or concurrent with any new Advance, enter into an amended and restated Lenders Agreement, whereby (unless otherwise agreed by the Agent) they agree to rank in payment priority after the Existing Lenders, and shall execute joinders to this Amended and Restated Term Sheet pursuant to which they agree to become parties to this Amended and Restated Term Sheet as "Lenders".

4. Purpose

The Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance and the Sixth Advance were used by the Borrower to pay, in part, fees and a land payment owed to the City, the project costs of advancing the Project, including excavation, except management fees, and the Letters of Credit are a requirement of the City in connection with the proposed mixed-use development (the "**Project**") of the lands described as 5333 and 5411 No. 3 Road and 7968 Alderbridge Way, Richmond, British Columbia (the "**Lands**"). The financial obligations of the Borrower to the City in connection with the Project are currently as follows:

- (a) \$11,345,439 in the case of the community facility contribution, childcare payment and demolition security fees;
- (b) \$5,230,000 in the case of the land payment;
- (c) \$3,153,570 in the case of the Landscape Letter of Credit (as defined below); and
- (d) \$8,712,750 in the case of the Servicing Letter of Credit (as defined below).

The City requires a letter of credit or cash equivalent security in the face amount of \$3,153,570 (the "**Landscape Letter of Credit**") for landscaping and requires a further letter of credit or cash equivalent security in the face amount of \$8,712,750 (the "**Servicing Letter of Credit**") for site servicing requirements.

The Seventh Advance and the Eighth Advance were or will be used for the purposes of regularizing the cash position of the Borrower and paying for site services, professional fees and other costs in accordance with the cashflow attached as Schedule A (the "**Cashflow**").

5.1 Initial Advance

The Initial Advance of \$8,561,015.00 was advanced by the Lenders set out in section 2 as noted, to the Borrower on or about September 26, 2018.

5.2 First Advance The First Advance of \$13,000,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower on November 7, 2018. In connection with the First Advance, the Borrower issued a promissory note (originally issued on November 7, 2018 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to the Lenders of the First Advance in the principal amount of \$1,950,000 (the “**First Advance Promissory Note**”).

5.3 Second Advance The Second Advance of \$3,100,000 was advanced by R. Jay Management Ltd. to the Borrower on November 16, 2018. In connection with the Second Advance, the Borrower issued a promissory note (originally issued on November 16, 2018 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to R. Jay Management Ltd. in the principal amount of \$465,000 (the “**Second Advance Promissory Note**”).

The Second Advance was used by the Borrower to pay as a cash equivalent (“**Second Advance Cash Equivalent**”) for, in part, the Landscape Letter of Credit required by the City in connection with the proposed development of the Lands.

For clarity, no Lenders, except R. Jay Management Ltd., will have any interest in the Second Advance and the amounts payable by the Borrower or Guarantors in connection with the Second Advance, including the release of the Second Advance Cash Equivalent by the City to R. Jay Management Ltd.

5.4 Third Advance The Third Advance of \$9,205,700 was advanced by J.V. Driver Investments Inc. on or about February 15, 2019. In connection with the Third Advance, the Borrower issued a promissory note (originally issued on February 15, 2019 and amended and restated on August 8, 2019 and with effect from November 1, 2019) to J.V. Driver Investments Inc. in the principal amount of \$345,213.75 (the “**Third Advance Promissory Note**”).

The Third Advance was used by the Borrower to pay as a cash equivalent (“**Third Advance Cash Equivalent**”) for, in part, the Servicing Letter of Credit required by the City in connection with the proposed development of the Lands.

For clarity, no Lenders, except J.V. Driver Investments Inc., will have any interest in the Third Advance and the amounts payable by the Borrower or Guarantors in connection with the Third Advance, including the release of the Third Advance Cash Equivalent by the City to J.V. Driver Investments Inc.

5.5 Fourth Advance The Fourth Advance was advanced by R. Jay. Management Ltd. in two tranches:

- (a) the first tranche, of \$2,000,000, was advanced on July 18, 2018 pursuant to the terms of a promissory note dated that day, which promissory note has been cancelled; and

- (b) the second tranche, of \$3,000,000 was advanced on August 8, 2019.

In connection with the Fourth Advance, the Borrower issued a promissory note to the Agent in the principal amount of \$346,888.12 (originally issued on August

8, 2019 and amended and restated with effect from November 1, 2019 (the "**Fourth Advance Promissory Note**").

5.6 Fifth Advance

The Fifth Advance of \$2,115,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower as of May 29, 2020. In connection with the Fifth Advance, the Borrower issued a promissory note with effect from May 29, 2020 to the Lenders of the Fifth Advance in the principal amount of \$2,115,000 (the "**Fifth Advance Promissory Note**").

The Fifth Advance was advanced as protective disbursements, as during May 2020, the Borrower advised the Agent that Romspen had ceased its construction funding of the Borrower and the Project and two contractors, Rush Contracting Ltd. and Keller Foundations Ltd. working on the Lands required immediate payment on May 29, 2020 to avoid liens being filed against the Lands. The Agent determined that the Project was in jeopardy unless the contractor payments were made.

5.7 Sixth Advance

The Sixth Advance of \$2,000,000 was advanced by South Street (Alderbridge) Limited Partnership to the Borrower as of July 27, 2020. In connection with the Sixth Advance, the Borrower issued a promissory note with effect from July 27, 2020 to South Street (Alderbridge) Limited Partnership in the principal amount of \$2,000,000 (the "**Sixth Advance Promissory Note**").

Upon the occurrence of a further advance to the Borrower either under the Loan or under any other financing from the date hereof which:

- (a) has a principal amount greater than \$10 Million; and
- (b) is not advanced by any of the Existing Lenders,

(the "**Sixth Advance Trigger Event**"), the Borrower will immediately repay, on demand by the Agent on behalf of South Street (Alderbridge) Limited Partnership, the Sixth Advance plus as interest, either \$150,000 or 15% per annum on the Sixth Advance, whichever is greater.

5.8 Seventh Advance

The Seventh Advance of \$225,000 was advanced by the Lenders set out in section 2 as noted, to the Borrower as of May 31, 2021. In connection with the Seventh Advance, the Borrower issued a promissory note with effect from May 31, 2021 to the Lenders of the Seventh Advance in the principal amount of \$225,000 (the "**Seventh Advance Promissory Note**").

The Seventh Advance was advanced as protective disbursements to pay for site services and other necessary costs. The Agent determined that the Project was in jeopardy unless these payments were made.

5.9 Eighth Advance

The Eighth Advance of \$1,215,000 will be advanced by the Agent, in its sole and absolute discretion, with no obligation to act reasonably, , on behalf of the Lenders set out in section 2 as noted, to the Borrower as follows:

- (a) on or before August 6, 2021:
 - (i) \$105,000 funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$150,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow;
- (b) on or before August 31, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$225,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow;
- (c) on or before September 30, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance; and
 - (ii) \$420,000 funded by the Existing Lenders listed in paragraphs (d), (e) and (j) of Section 2, to be used by the Borrower to pay for site services and professional fees as estimated and reflected in the Cashflow; and
- (d) on or before October 31, 2021:
 - (i) \$105,000 may be funded by the Existing Lenders listed in paragraphs (a), (b), (c), (f), (g) and (i) of Section 2 in accordance with the allocations set out in Schedule B, to be used by the Borrower to pay for site services itemized in invoices to be delivered by the Borrower to the Agent prior to the date of the Advance.

The parties to this Amended and Restated Term Sheet acknowledge and agree that, if the sales and investment process (the “SISP”) ongoing as at the date hereof is completed prior to the date of disbursement of a tranche or tranches of the Eighth Advance contemplated above, the obligation of the relevant Lenders to fund the relevant tranche or tranches will be unconditionally released and discharged.

In connection with the Eighth Advance, the Borrower issued a grid promissory note with effect from the date of this Amended and Restated Term Sheet to the Lenders of the Eighth Advance (the “**Eighth Advance Promissory Note**” and together with the First Advance Promissory Note, the Second Advance Promissory Note, the Third Advance Promissory Note, the Fourth Advance Promissory Note, the Fifth Advance Promissory Note, the Sixth Advance Promissory Note and the Seventh Advance Promissory Note, the “**Promissory Notes**”).

6. Term, Maturity Date and Payment

The term of the Initial Advance will be from September 26, 2018 to April 30, 2022 (the “**Maturity Date**”). The term of the First Advance will be from the November 7, 2018 to the Maturity Date. The term of the Second Advance will be from November 16, 2018 to the Maturity Date. The term of the Third Advance will be from the date of the advance of the Third Advance to the Maturity Date. The term of the first tranche of the Fourth Advance will be from July 18, 2018 to the Maturity Date and the term of the second tranche of the Fourth Advance will be from August 8, 2019 to the Maturity Date. The term of the Fifth Advance will be from May 29, 2020 to the Maturity Date. The term of the Sixth Advance will be from July 27, 2020 to the Maturity Date, subject to the Sixth Advance Trigger Event under Section 5.7. The term of the Seventh Advance will be from May 31, 2021 to the Maturity Date. The term of the Eighth Advance will be from the date on which the first tranche is disbursed in accordance with Section 5.9 above to the Maturity Date.

Subject to Sections 9, 14 and 15, on or before the Maturity Date, each Advance and all accrued and unpaid interest on each Advance, including all amounts payable under the Promissory Notes, as the case may be, will be paid to the Agent, for and on behalf of the Lenders, to be distributed in accordance with the Lenders Agreement.

All payments made and received, will be deemed to be made to be applied to principal and corresponding interest on a proportionate basis.

The Borrower will provide the Agent with 10 business days’ notice of repayment in full of the Advances and accrued interest at which time the Agent, on behalf of the Lenders, will have the right, but not the obligation, and further subject to full repayment of the Third Advance plus all interest thereon directly to J.V. Driver Investments Inc., to:

- (A) leave an amount (not to exceed \$15,000,000) of the principal and interest then outstanding hereunder outstanding (such amount, the “**Remainder**”) after the Maturity Date;
- (B) extend the maturity date otherwise applicable to the Remainder to 48 months after the Maturity Date; and
- (C) set the interest rate applicable to the Remainder at 12% per annum, compounded monthly and paid annually, subject to the requirements of any construction lender on the Project,

provided that the Remainder shall rank behind only the construction financing, and/or mezzanine financing obtained by the Borrower and any deposit insurance facility.

7. Interest Rate

The Initial Advance bears interest at the following rates:

- (a) on the principal amount of the Initial Advance set out in Section 3 above:
 - (i) 15% per annum for the period from September 26, 2018 to and including November 30, 2018, compounded monthly; and
 - (ii) 18% per annum for the period from December 1, 2018 to and including July 9, 2019, compounded monthly; and
- (b) on the principal amount of the Initial Advance set out in Section 3 above plus outstanding interest thereon to July 9, 2019:
 - (i) 18% per annum for the period from July 10, 2019 to and including October 31, 2019, compounded monthly; and
 - (ii) 15% per annum for the period from and after November 1, 2019 until repayment of the Initial Advance and accrued but unpaid interest thereon, compounded monthly;

(collectively, the “**Initial Advance Interest Rate**”).

The First Advance, the Second Advance, the Third Advance and the Fourth Advance bear interest at the following rates:

- (a) in respect of the First Advance, the Second Advance and the Third Advance, on their respective principal amounts set out in Section 3 above, 15% per annum for the period from the applicable date of advance to and including July 9, 2019, compounded monthly; and
- (b) on their respective principal amounts set out in Section 3 above plus (in the case of the First Advance, the Second Advance and the Third Advance) interest accrued to July 9, 2019:

- (i) 18% per annum for the period from July 10, 2019 (or, if later, the disbursement date of the relevant Advance) to and including October 31, 2019, compounded monthly;
- (ii) 15% per annum for the period from and after November 1, 2019 until repayment of the applicable Advances and accrued but unpaid interest thereon, compounded monthly.

(collectively, the “**First, Second, Third and Fourth Advances Interest Rate**”).

The Fifth Advance bears interest at 15% per annum (the “**Fifth Advance Interest Rate**”) from May 29, 2020 until repayment of the Fifth Advance and accrued but unpaid interest thereon, compounded monthly.

The Sixth Advance bears interest at 15% per annum (the “**Sixth Advance Interest Rate**”) from July 27, 2020 until repayment of the Sixth Advance and accrued but unpaid interest thereon, compounded monthly, subject to the Sixth Advance Trigger Event under Section 5.7.

The Seventh Advance bears and the Eighth Advance will bear interest at 15% per annum (the “**Seventh and Eighth Advances Interest Rate**”) from their respective disbursement dates until repayment of the applicable Advances and accrued but unpaid interest thereon, compounded monthly.

Each Advance disbursed after the Eighth Advance will bear interest at the rate set out in the notice relating to that Advance contemplated by Section 3 above.

8. Interest Payments All interest accrued on the Seventh Advance and the Eighth Advance at the Seventh and Eighth Advances Interest Rate, all interest accrued on the Sixth Advance at the Sixth Advance Interest Rate, all interest accrued on the Fifth Advance at the Fifth Advance Interest Rate, all interest accrued on the First Advance, the Second Advance, the Third Advance and the Fourth Advance at the First, Second, Third and Fourth Advances Interest Rate, and all interest accrued on the Initial Advance at the Initial Advance Interest Rate, will be payable on or before the Maturity Date, as applicable, in accordance with Section 6 herein.

9. Prepayment The Borrower may, prior to the Maturity Date, prepay the Advances without premium or penalty provided that such payments are to be applied in reduction of the outstanding amounts in accordance with the Lenders Agreement.

10. Funding Date The Initial Advance was funded by way of a single advance on September 26, 2018. The First Advance was funded by way of a single advance on November 7, 2018 and the Second Advance was funded by way of a single advance on November 16, 2018. The Third Advance was funded by way of a single advance on or about February 15, 2019. The Fourth Advance was funded by way of two advances: \$2,000,000 on July 18, 2019 and \$3,000,000 on August 8, 2019. The Fifth Advance was funded by way of two advances as of May 29, 2020: \$1,865,000 by the Agent to the Borrower and \$250,000 by South Street (Alderbridge) Limited Partnership to the Borrower directly. The Sixth Advance was funded by way of a

single advance on July 27, 2020 by South Street (Alderbridge) Limited Partnership to the Borrower directly. The Seventh Advance was funded by way of a single advance on May 31, 2021 by the Agent to the Borrower. The Eighth Advance will be funded by way of multiple advances in accordance with Section 5.9.

11. Security

The Advances, interest on the Advances, and all other amounts owing under the Promissory Notes and or specified in this Amended and Restated Term Sheet are secured by:

- (a) the Form B mortgage over the lands legally described as Lot 1, Section 5, Block 4 North, Range 6 West, New Westminster District, Plan EPP86098 (the "**Mortgage Property**") securing the maximum principal amount of \$60,000,000 with interest thereon at each, respective interest rates of the Advances charging the Lands and a beneficiary authorization and charge agreement executed by the Limited Partnership as beneficial owner of the Lands (each together and as amended, the "**Mortgage**"). The Mortgage secures all obligations of the Borrower to the Agent for and on behalf of the Lenders pursuant to the Agency Agreement, present and future, direct and indirect and absolute or contingent, including, without limitation, those obligations specified in this Amended and Restated Term Sheet; and
- (b) Joint and Several Guarantees in respect of all indebtedness owed by the Borrower to the Lenders, including the Advances and interest on the Advances as the case may be, including all amounts payable under the Promissory Notes, to be granted by Gatland Development Corporation, REV Holdings Ltd., REV Investments Inc., South Street Development Managers Ltd., South Street (Alderbridge) Limited Partnership, Samuel David Hanson and Brent Taylor Hanson (collectively with MNB Enterprises Inc. and G. Wong Holdings Inc., the "**Guarantors**").

The Mortgage (as modified on July 27, 2020) was originally registered in the New Westminster Land Title Office on March 5, 2019.

12 Confirmation of Security

Each of the Borrower and the Guarantors hereby confirm and acknowledge to and agree with the Agent for and on behalf of the Lenders as follows:

- (a) the Security to which it is a party remains in full force and effect, enforceable against each Borrower or the Guarantors, as applicable, in accordance with its respective terms;
- (b) it continues to be bound by the provisions of the Security to which it is a party;
- (c) the Security to which it is a party shall continue and/or be extended, as the case may be, to secure payment of all present and future indebtedness, liabilities and obligations of the Borrower to the Agent and the Lenders, direct and indirect, joint or several, absolute or contingent,

matured or unmatured including, without limitation, all indebtedness, liability and obligations arising pursuant to or in respect of this Amended and Restated Term Sheet, as the same may be further amended, restated, modified, supplemented or replaced from time to time; and

- (d) the Mortgage is registered on title for the Mortgage Property as a second priority mortgage to a first mortgage held by Romspen Investment Corporation (“**Romspen**”). The Agent executed, on behalf of the Lenders, a priority agreement between the Agent and Romspen (the “**Romspen Priority Agreement**”) in respect of Romspen’s commitment to lend \$422,000,000 to the Borrower (the “**Romspen Financing**”).

13. Conditions

[Intentionally deleted]

14. Covenants

Until the Advances and all interest thereon including all amounts owing under the Promissory Notes, as the case may be, have been repaid and all other obligations of the Borrower to the Agent for and on behalf of the Lenders under this Amended and Restated Term Sheet have been satisfied, the Borrower covenants with the Agent and the Lenders that it will:

- (a) comply with all of the terms and conditions of this Amended and Restated Term Sheet;
- (b) satisfy all of its obligations to any lender holding a prior mortgage against the Lands;
- (c) pay to the Agent for and on behalf of the Lenders, or in respect of the Third Advance (including any amendments, consents, waivers or other changes necessary or required by any creditor of J.V. Driver Investments Inc.) to any nominee of J.V. Driver Investments Inc., all costs, charges, losses, and expenses incurred or payable by the Agent or such Lenders, including, without limitation, interest expenses, costs related to any interest reserve held by a creditor of J.V. Driver Investments Inc. or its nominee related to the Third Advance (including any amount paid as part of such interest reserve), any and all borrowing or financing expenses (including exit, pre-payment, commitment, and/or origination fees), and any and all professional fees (including legal fees and disbursements, on the basis as between a solicitor and own client, administrative costs, and accounting fees), without duplication, of and incidental to the Advances and the Promissory Notes, as the case may be, including:
- (i) the preparation and negotiation of this Amended and Restated Term Sheet and the Security;
- (ii) taking, recovering, keeping, possessing, inspecting, protecting or realizing on any property charged by the Security;
- (iii) any proceeding taken to enforce the remedies under this Amended and Restated Term Sheet or the Security, or otherwise

in relation to this Amended and Restated Term Sheet or the Security, or by reason of non-payment of the monies secured by the Security; and

- (iv) any payment made by J.V. Driver Investments Inc. or its nominee to any of creditor of J.V. Driver Investments Inc. or its nominee related to the Third Advance, including pursuant to the obligation of J.V. Driver Investments Inc. or its nominee to:
 - A. replenish an interest reserve held by such creditor as part of the terms and conditions under which the Third Advance was financed; or
 - B. pay any sum, or provide any letter of credit, to any such creditors as security in accordance with the terms and conditions under which the Third Advance was financed; provided, however, that the Lenders shall return any funds paid to the Lenders pursuant to this Section 14(c)(iv)(B) to the Borrower within a commercially reasonable time if such creditor returns such funds to J.V. Driver Investments Inc. or its nominee, and where J.V. Driver Investments Inc. or its nominee has issued a letter of credit (the "**Driver Letter**"), the Borrower shall issue to J.V. Driver Investments Inc. or its nominee a letter of credit, on identical terms to the Driver Letter, which shall be held by J.V. Driver Investments Inc. or its nominee and returned by the same where the Driver Letter is returned by such creditor;

provided that J.V. Driver Investments Inc. shall assign its interest in the interest reserve (including the benefit of the interest reserve as may be applied against the amounts owed to J.V. Driver Investments Inc.'s creditor) held by such creditor (including any replenishment of the interest reserve paid by the Borrower to such creditor or J.V. Driver Investments Inc., as the case may be) to the Borrower on account of the indebtedness owed by the Borrower to Agent for and on behalf of J.V. Driver Investments Inc. for the Third Advance;

and all such costs, charges and expenses, if unpaid by the Borrower will be secured by the Security until paid, will bear interest at the Seventh and Eighth Advances Interest Rate and will be payable on demand;

- (d) promptly deliver written notice to the Lenders, from time to time, upon making any payments in respect of any Advance and in the case of the Third Advance, written notice to J.V. Driver Investments Inc. about any payments made by the Borrower to the creditor of J.V. Driver Investments Inc. or its nominee, as and when such payment obligations

of the Borrower or J.V. Driver Investments Inc. or its nominee, as the case may be, become due and owing to such creditor;

- (e) deliver to J.V. Driver Investments Inc. or its nominee, quarterly progress reports for the Project, including, without limitation, leasing and presale marketing updates for the Project, within thirty (30) days after the end of each calendar quarter, in a form and substance acceptable to J.V. Driver Investments Inc. or its nominee, acting reasonably;
- (f) at the written request of J.V. Driver Investments Inc. or its nominee issued from time to time, acting reasonably, deliver to J.V. Driver Investments Inc. or its nominee evidence of the certificates of insurance that are required by any other senior lenders having a registered interest in the Mortgage Property in priority to the Lenders' interest under the Mortgage;
- (g) pay the Third Advance, and any and all interest that has accrued thereon, in full, directly to J.V. Driver Investments Inc., or its nominee, in full upon the occurrence of any one of the following which are not waived, or consented to in writing prior to their occurrence, by J.V. Driver Investments Inc. or its nominee:
 - (i) if the Borrower does not keep the Mortgage Property free and clear of all liens, mortgages, encumbrances, charges, interests or claims of any kind whatsoever other than those currently registered against the Lands as of the date of this Amended and Restated Term Sheet, the Mortgage, any additional mortgage related to a refinancing that has been consented to by J.V. Driver Investments Inc. or its nominee in accordance with Section 15(f), or any statutory right of way, easements or covenants to be registered in connection with the Project;
 - (ii) a default by the Borrower in respect of any debt due to 1185678 B.C. Ltd. (as agent for certain entities), GEC (Richmond) GP Inc. ("GEC") or Romspen (together the "Other Loans") or under any financing document or security provided in connection with the Other Loans and such default continues even after any applicable notice and/or cure periods;
 - (iii) commencement of court action, arbitral proceeding, or any other type of judicial proceeding or exercise of rights and remedies by the holder of any mortgage, security interest or other lien registered against any portion of the Mortgage Property;
 - (iv) the registration of any judgment in excess of USD\$1,000,000.00 against the Mortgage Property or the Borrower; or the attachment, levy, garnishment or the commencement of any related court action, arbitral proceeding, or any other type of

- judicial proceeding involving a claim in excess of \$1,000,000.00 against the Project or the Borrower;
- (v) if the Borrower borrows any monies for the Project, grants, transfers, or assigns any further interest in the Mortgage Property without the prior consent of J.V. Driver Investments Inc.;
 - (vi) if a representation, statement or information provided by the Borrower to any of creditor of J.V. Driver Investments Inc. or its nominee with respect to the Mortgaged Property or the Borrower is false; or
 - (vii) the insolvency of any party comprising the Borrower, or the admission in writing of the Borrower's inability to pay debts as they mature; and
- (h) comply in all respects with all applicable laws, rules, regulations, and bylaws of all applicable governmental entities that apply to the Borrower or the Mortgage Property; observe and conform in all respects to all valid requirements of any governmental or municipal authority, including without limitation any and all applicable zoning regulation or development controls, relative to any of its assets, including the Mortgage Property, and all covenants, terms and conditions of all agreements, liens, encumbrances, registrations, or charges upon or under which any of its assets, including the Mortgage Property, are held;
- (i) hold reporting meetings and provide updates to the Agent in respect of the Borrower's plan to secure refinancing of the Project and repay the Advances plus accrued interest. Such meetings and updates are to be provided at least weekly, and upon demand by the Agent, on the next day of such demand;
- (j) save and except for the Romspen Financing and the Deposit Protection Facility, not draw against any refinancing for any other reason but repayment of all outstanding indebtedness hereunder owed to the Lenders;
- (k) add the Agent as an insured under the Borrower's insurance policy for the Project as third loss payee, and will reimburse the Agent for all costs associated with securing directors liability insurance for the director of the Agent;
- (l) not be permitted to secure any additional advances from Romspen or from any other lender ranking ahead of the Lenders beyond the total principal sum of the Romspen Financing limited to \$422,000,000 and the Deposit Protection Facility in the amount of \$70,000,000; and

- (m) not be permitted to secure any advances from any lender ranking behind the Lenders except with terms no more favourable than the terms of the Loan hereunder.

15. Events of Default The Borrower will be in default under this Amended and Restated Term Sheet and the Agent, for and on behalf of the Lenders, will be entitled to demand payment in full of the Loan, as advanced from time to time, and all other amounts payable to the Agent under this Amended and Restated Term Sheet or secured by the Security, including without limitation any interest that has accrued and not yet been paid, and to enforce the Security:

- (a) the Borrower fails to make any payment of interest, principal or any other amount payable to the Agent, when due, and such default continues for five days or more;
- (b) the Borrower defaults in the performance or observance of any other term, condition or covenant contained in this Amended and Restated Term Sheet or the Security and such default continues for 15 days or more;
- (c) an order is made or a resolution is passed or a petition is filed for the liquidation, winding-up or dissolution of any of the entities comprising the Borrower;
- (d) any of the entities comprising the Borrower consents to or makes a general assignment for the benefit of creditors or makes or files a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, or is declared bankrupt, or commences any proceedings for protection under the *Companies Creditors' Arrangement Act*, or if a liquidator, trustee in bankruptcy, custodian or receiver or receiver and manager or other officer with similar powers is appointed of any of the entities comprising the Borrower or the property of it or any substantial part thereof;
- (e) a final judgment is rendered against any of the entities comprising the Borrower and within 30 days after entry thereof it has not been discharged or execution thereof has not been stayed pending appeal or if an encumbrancer takes possession of all or a substantial part of the assets of any of the entities comprising the Borrower or if a distress or execution or any similar process is levied or enforced against it affecting all or a substantial part of its assets; or
- (f) without the prior written approval of J.V. Driver Investments Inc. or its nominee, such approval not to be unreasonably withheld, conditioned or delayed:
- (i) there is a new sale or new refinancing of the Mortgage Property, except for any pre-sale of market condos or office building or the Romspen Financing or the Deposit Protection Facility; or

- (ii) the existing capital structure of the Mortgage Property or the Borrower is modified;

pursuant to which J.V. Driver Investments Inc. is obliged to make any payment to any of its creditors that are related, directly or indirectly, to the Third Advance in accordance with the terms and conditions related to its financing of such Third Advance,

(each a “**Default Event**”). The Borrower shall immediately notify the Lenders upon the occurrence of a Default Event.

16. Step-In Option

[Intentionally deleted]

17. Miscellaneous

This Amended and Restated Term Sheet may not be assigned by the Borrower without the prior written consent of the Lenders. This Amended and Restated Term Sheet will be binding on and will enure to the benefit of the Lenders and their successors and assigns and the Borrower and its successors and permitted assigns. The laws of British Columbia will govern this Amended and Restated Term Sheet and the Security.

**18. Effect of
Amendment and
Restatement**

Except as otherwise set forth herein, this Amended and Restated Term Sheet is intended to and does completely amend and restate, without novation, the Term Sheet.

**19. Further execution
to effect the
Term Sheet**

All the parties to this Amended and Restated Term Sheet agree to execute such other agreements, resolutions, documents, security and instruments as may be required in connection with the transactions contemplated by this Amended and Restated Term Sheet, including, but not limited to:

- (a) Joint and Several Guarantees in respect of all indebtedness by the Guarantors;
- (b) the Promissory Notes by the Borrower.

**20. Maximum
interest**

- (a) In the event that any provision of this Agreement or the Promissory Notes issued in conjunction herewith relating to one or more Advances hereunder would oblige the Borrower to make any payment of interest or any other payment which is construed by a court of competent jurisdiction to be interest in an amount or calculated at a rate which would be prohibited by applicable law or would result in receipt by the Agent or any Lender of “interest” at a “criminal rate” (as those terms are

construed under the *Criminal Code (Canada)*), then notwithstanding the relevant provision, the relevant amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be prohibited by applicable law or result in receipt by the Agent or applicable Lender of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary, as follows:

- (i) first, by reducing the amount or rate of interest required to be paid under an Advance providing for such proscribed return under this Agreement; and
 - (ii) thereafter, by reducing any fees, commissions, premiums or other amounts required to be paid to the Agent or a Lender under an Advance providing for such proscribed return under this Agreement which would constitute "interest" for the purposes of Section 347 of the *Criminal Code (Canada)*.
- (b) If, notwithstanding the provisions of the immediately preceding section and after giving effect to all adjustments contemplated thereby, the Agent or any Lender shall have received an amount in excess of the maximum permitted by applicable law (an "excess"), then the excess shall be applied:
- (i) in reduction of the principal balance of the Loan on a pro-rata basis among the Advances on which the relevant interest accrued; or
 - (ii) if the excess exceeds the principal balance of the relevant Loan, the excess shall be refunded to the Borrower.


21. Counterpart

- (a) **Counterparts.** This Amended and Restated Term Sheet may be executed in any number of original counterparts, with the same effect as if all the parties had signed the same document, and will become effective when one or more counterparts have been signed by each of the parties and delivered to each of the other parties. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the date first above written.
- (b) **Execution by Electronic Means.** This Amended and Restated Term Sheet may be executed by the parties and delivered by fax or other electronic means and if so executed and delivered this Agreement will be for all purposes as effective as if the parties had executed and delivered an executed original of this Agreement.

22. Existing Default Nothing in this Amended and Restated Term Sheet constitutes a waiver, consent or release on the part of the Agent or any Lender of any rights or remedies which such person may have in relation to any breach of the Borrower existing on or prior to the date of this Amended and Restated Term Sheet. Execution of this Amended and Restated Term Sheet by the Agent and the Lenders does not in any way limit, release or discharge the Borrower from the obligations and liabilities of the Borrower to the Agent or any of the Lenders.

Agreed and accepted as of the date first set out above:

1185678 B.C. LTD., as agent for the Lenders

Per: 
Authorized Signatory

Lenders:

R. JAY MANAGEMENT LTD.

Per: _____
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: _____
Authorized Signatory

DENNIS SCHWAB

LESLEY SCHWAB

MNB ENTERPRISES INC.

Per: _____
Authorized Signatory

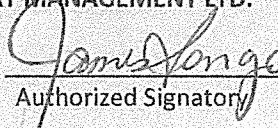
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Lenders:

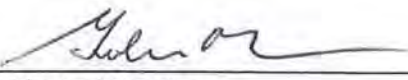
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Per: 
Authorized Signatory

INLAND CONSULTING LTD.

Per: _____
Authorized Signatory

J.V. DRIVER INVESTMENTS INC.

Per: _____
Authorized Signatory

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: _____
Authorized Signatory

Borrower:

ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner **ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: _____
Authorized Signatory

0989705 B.C. LTD.

Per: _____
Authorized Signatory

VOTH DEVELOPMENTS LTD.

Per: _____
Authorized Signatory

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**SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
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Per: _____
Authorized Signatory

Borrower:

**ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

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J.V. DRIVER INVESTMENTS INC.

Per:  _____
Authorized Signatory

**SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: _____
Authorized Signatory

Borrower:

**ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

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Per: _____
Authorized Signatory

J.V. DRIVER INVESTMENTS INC.

Per: _____
Authorized Signatory

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

Per: DocuSigned by:
Sam Hanson
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Authorized Signatory _____

Borrower:

ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner **ALDERBRIDGE WAY GP LTD.**

Per: _____
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

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INLAND CONSULTING LTD.

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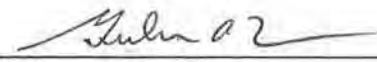
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Authorized Signatory

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**


Per: _____
Authorized Signatory

Borrower:


ALDERBRIDGE WAY LIMITED PARTNERSHIP, by its
general partner **ALDERBRIDGE WAY GP LTD.**

Per: 
Authorized Signatory

ALDERBRIDGE WAY GP LTD.

Per: 
Authorized Signatory

0989705 B.C. LTD.

Per: 
Authorized Signatory

Guarantors:

DocuSigned by:
Sam Hanson
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SAM HANSON

BRENT HANSON

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its
general partner **SOUTH STREET (ALDERBRIDGE) GP LTD.**

DocuSigned by:
Sam Hanson
Per: 4DD32C490FB1430...
Authorized Signatory

SOUTH STREET DEVELOPMENT MANAGERS LTD.

DocuSigned by:
Sam Hanson
Per: 4DD32C490FB1430...
Authorized Signatory

REV INVESTMENTS INC.

Per: _____
Authorized Signatory

REV HOLDINGS LTD.

Per: _____
Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

Guarantors:

SAM HANSON

DocuSigned by:

302467E05C1C431
BRENT HANSON

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Per: _____
Authorized Signatory

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REV HOLDINGS LTD.

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GATLAND DEVELOPMENT CORPORATION

Per: _____
Authorized Signatory

Guarantors:

SAM HANSON

BRENT HANSON

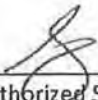
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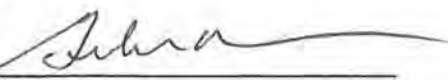
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Authorized Signatory

GATLAND DEVELOPMENT CORPORATION

Per:  _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: 
Authorized Signatory


MNB ENTERPRISES INC.

Per: _____
Authorized Signatory

G. WONG HOLDINGS INC.

Per: _____
Authorized Signatory

MNB ENTERPRISES INC.

Per:  _____
Authorized Signatory

SCHEDULE A

CASHFLOW

See attached.

SCHEDULE B8th ADVANCE PRO RATA AMOUNTS

	% of 8 TH ADVANCE	Funding (CAD\$) per \$105,000 tranche
		105,000
R. Jay Management Ltd.	62%	65,100
MNB Enterprises Inc.	4%	4,200
Voth Developments Ltd.	3%	3,150
Inland Consulting Ltd.	4%	4,200
G. Wong Holdings Inc.	3%	3,150
J.V. Driver Investments Inc.	24%	25,200
Total	100%	105,000

SCHEDULE C

AMENDED AND RESTATED LENDERS' AGREEMENT

See attached.

AMENDED AND RESTATED LENDERS' AGREEMENT

THIS AGREEMENT dated as of the 5th day of August, 2021,

AMONG:

R. JAY MANAGEMENT LTD., a company duly incorporated pursuant to the laws of the Bahamas, and extra-provincially registered in the Province of British Columbia under number under BC Reg. No. A0105910 having its registered office at 660 Caldew Street, Delta, British Columbia V3M 5S2, ("**RJay**"),

AND:

G. WONG HOLDINGS INC., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0829611 and having its head office at 906 Main Street, Vancouver, British Columbia V6A 2W1,

AND:

INLAND CONSULTING LTD., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0182675 and having its head office at 314, 1488 – 4th Ave., Prince George, British Columbia V2L 4Y2,

AND:

VOTH DEVELOPMENTS LTD., a corporation duly incorporated pursuant to the laws of British Columbia under number BC1120750 and having its head office at 15080 North Bluff Road, White Rock, British Columbia V4B 5C1,

AND:

DENNIS SCHWAB, business person, of 2701 – 1281 West Cordova Street, Vancouver, British Columbia, V6C 3R5, and **LESLEY SCHWAB**, business person, of 2701 – 1281 West Cordova Street, Vancouver, British Columbia V6C 3R5,

AND:

J.V. DRIVER INVESTMENTS INC., a corporation duly incorporated pursuant to the laws of Canada under number 868593-2 and having its head office at 1205-5th Street, Nisku, Alberta T9E 7L6, ("**JVDI**"),

AND:

MNB ENTERPRISES INC. a corporation duly incorporated pursuant to the laws of British Columbia under number BC08378816 and having its head office at 204-1302, 7th Avenue, Prince George, British Columbia V2L 3P1,

AND:

GATLAND DEVELOPMENT CORPORATION, a corporation duly incorporated pursuant to the laws of British Columbia under number BC0082496 and having its head office at 760 – 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1,

AND:

REV INVESTMENTS INC., a corporation duly incorporated pursuant to the laws of British Columbia under number BC0865865, and having its head office at 28235 Smith Avenue, Abbotsford, British Columbia V4X 1C7,

AND:

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, a limited partnership duly registered pursuant to the laws of British Columbia, by its general partner, **SOUTH STREET (ALDERBRIDGE) GP LTD.**, a corporation duly incorporated pursuant to the laws of British Columbia under number BC1134784, and having its registered office at 1600 – 925 West Georgia Street, Vancouver, British Columbia V6C 3L2,

(collectively, the “**Lenders**”, and each, a “**Lender**”)

WITNESSES THAT WHEREAS:

- A. The Lenders entered into the Original Lenders’ Agreement with respect to the Loan;
- B. The Lenders have made the Loan in accordance with the Term Sheet;
- C. The Lenders have contributed funds (the “**Advances**”) for the Loan as set out in Schedule A attached hereto;
- D. The Lenders have entered into the Agency Agreement, for the administration of the Loan; and
- E. The Lenders wish to amend and restate the terms of the Original Lenders’ Agreement on the terms and conditions herein contained.

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements hereinafter set forth and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Lenders), the Lenders represent, warrant, covenant and agree as follows:

1. RECITALS

The recitals to this Agreement are true and correct in substance and in fact.

2. DEFINITIONS

2.1 In this Agreement:

- (a) “**Advances**” means, collectively, the Initial Advance, the First Advance, the Second Advance, the Third Advance, the Fourth Advance, the Fifth Advance, the Sixth Advance, the Seventh Advance and the Eighth Advance;
- (b) “**Agreement**” means this Agreement, including its recitals and schedules, as amended and supplemented;
- (c) “**Agency Agreement**” means the amended and restated agency agreement dated as of June 1, 2021, made among 1185678 B.C. Ltd., as agent, and the Lenders, a true and complete copy of which is attached hereto as Schedule C;
- (d) “**Agent**” means 1185678 B.C. Ltd.;
- (e) “**Borrower**” means Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd., jointly and severally;
- (f) “**Eighth Advance Promissory Note**” means the grid promissory note dated as of June 1, 2021, in the principal amount of \$1,215,000 granted by the Borrower to the Agent a copy of which is attached as Schedule K hereto with respect to amounts payable to the Agent in connection with interest payments agreed upon at the time of the Eighth Advance;
- (g) “**Fifth Advance Promissory Note**” means the promissory note dated as of May 29, 2020 and amended and restated as of July 27, 2020, in the principal amount of \$2,115,000, granted by the Borrower to the Agent a copy of which is attached as Schedule H hereto with respect to amounts payable to the Agent in connection with interest payments agreed upon at the time of the Fifth Advance;
- (h) “**First Advance Promissory Note**” means the promissory note dated November 7, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020, in the principal amount of \$1,950,000, granted by the Borrower to the Lenders of the First Advance a copy of which is attached as Schedule D hereto with respect to the First Advance;
- (i) “**Fourth Advance Promissory Note**” means the amended and restated promissory note dated November 1, 2019 and amended and restated as of November 1, 2019 and July 27, 2020, in the principal amount of \$346,888.12, granted by the Borrower to the Agent a copy of which is attached as Schedule G hereto with respect to amounts payable to the Agent in connection with interest payments agreed upon at the time of the Fourth Advance
- (j) “**Loan**” means the loan of the Advances to the Borrower in accordance with the Term Sheet;
- (k) “**New Lender**” means any lender advancing funds under the Loan who is not, as at the date hereof, a party to the Term Sheet, the Agency Agreement and this Agreement;
- (l) “**Original Lenders’ Agreement**” means the amended and restated Lender’s Agreement dated as of July 27, 2020;
- (m) “**Promissory Notes**” means, collectively, the First Advance Promissory Note, the Second Advance Promissory Note, the Third Advance Promissory Note, the Fourth Advance

Promissory Note, the Fifth Advance Promissory Note, the Sixth Advance Promissory Note, the Seventh Advance Promissory Note and the Eighth Advance Promissory Note;

- (n) **"Second Advance Promissory Note"** means the promissory note dated November 16, 2018 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020, in the principal amount of \$465,000, granted by the Borrower to RJay a copy of which is attached as Schedule E hereto, in connection with the Second Advance;
- (o) **"Seventh Advance Promissory Note"** means the promissory note dated as of May 31, 2021, in the principal amount of \$225,000, granted by the Borrower to the Agent a copy of which is attached as Schedule J hereto with respect to amounts payable to the Agent in connection with interest payments agreed upon at the time of the Seventh Advance;
- (p) **"Sixth Advance Promissory Note"** means the promissory note dated as of July 27, 2020, in the principal amount of \$2,000,000, granted by the Borrower to the Agent a copy of which is attached as Schedule I hereto with respect to amounts payable to the Agent in connection with interest payments agreed upon at the time of the Sixth Advance;
- (q) **"Term Sheet"** means the amended and restated term sheet dated as of June 1, 2021 executed among the Lenders, the Agent and the Borrower, a true and complete copy of which is attached hereto as Schedule B; and
- (r) **"Third Advance Promissory Note"** means the promissory note dated February 15, 2019 and amended and restated as of August 8, 2019, November 1, 2019 and July 27, 2020, in the principal amount of \$345,213.75, granted by the Borrower to J.V. Driver Investments Inc. a copy of which is attached as Schedule F hereto in connection with the Third Advance.

2.2 All other capitalized terms and undefined used in this Agreement shall have the respective meanings ascribed to them in the Term Sheet.

3. AMENDED AND RESTATED AGREEMENT

This Agreement amends and restates the Original Lenders' Agreement in its entirety without novation and upon the execution and delivery of this Agreement, the Original Lenders' Agreement will be of no further force or effect.

4. NEW LENDERS

Any New Lender under the Term Sheet shall execute an amendment and restatement of this Agreement pursuant to which, unless the Lenders otherwise agree, such New Lender agrees that its right to receive payment shall rank in priority behind the Lenders.

5. AGENCY AGREEMENT

The Lenders appointed the Agent by way of the Agency Agreement as their nominee and agent to act in accordance with the Agency Agreement. The registered office of the Agent is located at 700 - 595 Burrard Street, Vancouver, British Columbia, V7X 1S8.

JVDI is authorized to represent the Lenders with full power and authority to instruct the Agent pursuant to the terms thereof and the Lenders (including JVDI) will severally and separately, and not jointly,

indemnify and save harmless JVDI, its officers, directors, shareholders and agents (collectively with JVDI, the "**JVDI Parties**"), in proportion to each Lender's contribution, being principal and interest thereon, to the Loan from time to time, for any direct or indirect liabilities incurred in connection with the JVDI Parties exercising such authority except for acts of negligence or wilful misconduct by the JVDI Parties.

6. INTEREST IN ADVANCES

No Lender shall have any interest in an Advance except as set out in Schedule A attached hereto and, in connection therewith, to the extent of any conflict between this Agreement and the Term Sheet, this Agreement shall prevail.

7. DISTRIBUTION PRIORITY

Repayments from the Borrower shall be allocated among and paid out to the Lenders as follows:

- (a) first, to the Lenders participating in the Seventh Advance and the Eighth Advance (the "**7/8 Lenders**") *pro rata* according to the respective percentages held as set out in Schedule A, the payment of all amounts payable to the 7/8 Lenders under the Seventh Advance Promissory Note and the Eighth Advance Promissory Note;
- (b) second, to JVDI the payment of principal on the Third Advance;
- (c) third, to JVDI the payment of applicable interest on the Third Advance;
- (d) fourth, to South Street (Alderbridge) Limited Partnership, the payment of all amounts payable to South Street (Alderbridge) Limited Partnership under the Sixth Advance Promissory Note;
- (e) fifth, to the Lenders participating in the Fifth Advance (the "**Fifth Advance Lenders**"), the payment of all amounts payable to the Fifth Advance Lenders under the Fifth Advance Promissory Note;
- (f) sixth, to JVDI, the ongoing payment of all fees and costs, of any nature or kind whatsoever, incurred or payable by JVDI or its nominee that are associated with or related to, directly or indirectly, the financing, or delivery to the Borrower of the Third Advance, including without limitation any and all legal fees, costs related to any interest reserve held by the creditor of JVDI or its nominee related to such financing of the Third Advance (including any amount paid as part of such interest reserve), or lender fees (including commitment or origination fees) without duplication;
- (g) seventh, to RJay the payment of applicable interest on the Second Advance and the Fourth Advance and all amounts payable to RJay under the Fourth Advance Promissory Note;
- (h) eighth, to RJay the payment of principal on the Second Advance and the Fourth Advance;
- (i) ninth, to RJay all other amounts payable pursuant to the Second Advance Promissory Note;

- (j) tenth, to the Lenders participating in the Initial Advance (the "**Initial Advance Lenders**") the payment of the applicable interest on the Initial Advance *pro rata* according to the respective percentages held as set out in Schedule A and all amounts payable to the Initial Advance Lenders under the Fourth Advance Promissory Note;
- (k) eleventh, to the Lenders participating in the First Advance (the "**First Advance Lenders**") and JVDI, only in respect of the Fourth Advance Promissory Note, the payment of the applicable interest on the First Advance *pro rata* according to the respective percentages held as set out in Schedule A and all amounts payable to the First Advance Lenders and JVDI under the Fourth Advance Promissory Note;
- (l) twelfth, to the Lenders participating in the Initial Advance the payment of principal on the Initial Advance *pro rata* according to the respective percentages held as set out in Schedule A;
- (m) thirteenth, to the Lenders participating in the First Advance the payment of the principal on the First Advance *pro rata* according to the respective percentages held as set out in Schedule A;
- (n) fourteenth, to the Lenders participating in the First Advance, the payment of all other amounts payable pursuant to the First Advance Promissory Note; and
- (o) fifteenth, to JVDI all other amounts payable pursuant to the Third Advance Promissory Note.

Any Lender who receives payment in cash or other form of consideration from or on behalf of the Borrower that is not consistent with the foregoing in this section 7 shall receive and hold such payment in trust for the Lenders who are entitled to receive the payment as set out in this section 7. Notwithstanding any other provision of this Agreement:

- (A) if any event under section 14 and/or 15 of the Term Sheet occurs and JVDI enforces its rights pursuant to the Term Sheet, then any payments made in respect of the Third Advance pursuant to such enforcement shall not be required to be made in accordance with this Section 7 and shall not be deemed to be held on trust for the Lenders; and
- (B) the Lenders agree that they may only exercise their right to instruct the Agent under section 6 of the Term Sheet with respect to the Remainder in the event that the Third Advance plus all interest thereon and amounts payable pursuant to the JVDI Promissory Note is paid to JVDI in full.

The Parties agree that any New Lenders shall rank in payment priority after the Lenders in the order set out under this Section 7 and such payment priority shall be reflected in an amendment and restatement of this Agreement executed concurrently with any advance by a New Lender.

8. ALLOCATION OF TAX LOSS

Tax losses, if any, will be allocated among the Lenders in the same manner as interest and distributions are allocated pursuant to Section 7 of this Agreement.

9. NO AGENCY OR PARTNERSHIP

Nothing contained in this Agreement makes or constitutes any Lender, or any of its directors, officers or employees, the representative, agent, principal, partner, joint venturer, employer, employee of any other Lender. It is understood that no Lender has the capacity to make commitments of any kind or incur obligations or liabilities binding upon any other Lender.

10. NOTICES

Any notice given pursuant to or in connection with this Agreement will be in writing and delivered personally to the Lender for whom it is intended at the last known address of such Lender.

11. ASSURANCES

The Agent will perform all such other acts and things and execute all such other documents as are necessary or desirable in the reasonable opinion of the Lender to evidence or carry out the terms or intent of this Agreement.

12. GOVERNING LAW

This Agreement and all matters arising under it will be governed by and construed in accordance with the laws of British Columbia, which will be deemed to be the proper law of this Agreement, and the Courts of British Columbia will have non-exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this Agreement and the validity, existence and enforceability of this Agreement.

13. NO WAIVER

No failure or delay on the part of any Lender in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited in this Agreement, any Lender may, in its sole discretion, exercise any and all rights, powers, remedies and resources available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourse may be exercised concurrently or individually without the necessity of making any election.

14. AMENDMENT AND ASSIGNMENT

This Agreement may be altered or amended only by an agreement in writing signed by the Lenders. The Agreement may not be assigned without the prior written consent of all the Lenders.

15. FURTHER ASSURANCES

Each of the Lenders will execute all further documents and perform all other acts and deeds as and when the same may be required to carry out and give effect to the terms of this Agreement.

16. ENUREMENT

This Agreement enures to the benefit of and is binding upon the respective successors, legal representatives and assigns of the Lenders.

17. INDEPENDENT LEGAL ADVICE

Each Lender hereto hereby acknowledges that it (and each of its related principals) has been advised to seek independent legal advice with respect to the execution and delivery of this Agreement and has sought such advice or has determined that such advice is not required.

18. COUNTERPARTS

- (a) **Counterparts.** This Agreement may be executed in any number of original counterparts, with the same effect as if all the Lenders had signed the same document, and will become effective when one or more counterparts have been signed by all the Lenders and delivered to each of the other Lenders. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the date first above written.
- (b) **Execution by Electronic Means.** This Agreement may be executed by the Lenders and delivered by fax or other electronic means and if so executed and delivered this Agreement will be for all purposes as effective as if the Lenders had executed and delivered an executed original of this Agreement.

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

IN WITNESS WHEREOF the Lenders have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: James Longo

Name: James Longo

Title: President

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Lenders have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____
Name: _____
Title: _____

INLAND CONSULTING LTD.

By: _____
Name: _____
Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

DENNIS SCHWAB


J.V. DRIVER INVESTMENTS INC.

By: _____
Name: _____
Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____
Name: _____
Title: _____

G. WONG HOLDINGS INC.

By: 
Name: GEORGE WONG
Title: PRES.

VOTH DEVELOPMENTS LTD.

By: _____
Name: _____
Title: _____

MNB ENTERPRISES INC.

By: _____
Name: _____
Title: _____

LESLEY SCHWAB

REV INVESTMENTS INC.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF the Lenders have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: [Signature]

Name: Peter Thwaites

Title: CEO

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

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R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: KON D. VOTH

Title: PRESIDENT

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

LESLEY SCHWAB

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Lenders have hereunto executed this Agreement as of the day and year first written above.

R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: *John A. Thomas*

Name: *John A. Thomas*

Title: *President*

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: *[Signature]*

Name: *SARA RUTZLER*

Title: *PRESIDENT*

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

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R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: *DWS* _____

Name: Dennis Schwab

Title: Director

DWS
DENNIS SCHWAB

LS
LESLEY SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: _____

Name: _____

Title: _____

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

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R. JAY MANAGEMENT LTD.

By: _____

Name: _____

Title: _____

INLAND CONSULTING LTD.

By: _____

Name: _____

Title: _____

GATLAND DEVELOPMENT CORPORATION


By: _____

Name: _____

Title: _____

DENNIS SCHWAB

J.V. DRIVER INVESTMENTS INC.

By: 

Name: Chuck Sanders

Title: President

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By: _____

Name: _____

Title: _____

G. WONG HOLDINGS INC.

By: _____

Name: _____

Title: _____

VOTH DEVELOPMENTS LTD.

By: _____

Name: _____

Title: _____

MNB ENTERPRISES INC.

By: _____

Name: _____

Title: _____

LESLEY SCHWAB

REV INVESTMENTS INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the Lenders have hereunto executed this Agreement as of the day and year first written above.

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By: _____
Name: _____
Title: _____

G. WONG HOLDINGS INC.

By: _____
Name: _____
Title: _____

INLAND CONSULTING LTD.

By: _____
Name: _____
Title: _____

VOTH DEVELOPMENTS LTD.

By: _____
Name: _____
Title: _____

GATLAND DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

MNB ENTERPRISES INC.

By: _____
Name: _____
Title: _____

DENNIS SCHWAB

LESLEY SCHWAB

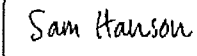
J.V. DRIVER INVESTMENTS INC.

By: _____
Name: _____
Title: _____

REV INVESTMENTS INC.

By: _____
Name: _____
Title: _____

SOUTH STREET (ALDERBRIDGE) LIMITED PARTNERSHIP, by its general partner, SOUTH STREET (ALDERBRIDGE) GP LTD.

By:  _____
Name: Sam Hanson
Title: Director and CEO

**SCHEDULE A
LENDER CONTRIBUTIONS TO THE ADVANCES**

Initial Advance

Lender	Amount	Percentage of Total Initial Advance
MNB Enterprises Inc.	\$285,026.61	3.33%
R. Jay Management Ltd.	\$4,849,538.94	56.65%
G. Wong Holdings Inc.	\$285,537.43	3.34%
Gatland Development Corporation	\$335,926.40	3.92%
Rev Investments Inc.	\$2,804,985.38	32.76%
Total	\$8,561,014.76	100.00%

First Advance

Lender	Amount	Percentage of Total First Advance
G. Wong Holdings Inc.	\$500,000.00	3.85%
Voth Developments Ltd.	\$1,000,000.00	7.69%
Inland Consulting Ltd.	\$1,000,000.00	7.69%
Dennis and Lesley Schwab	\$1,000,000.00	7.69%
R. Jay Management Ltd.	\$9,500,000.00	73.08%
Total	\$13,000,000.00	100.00%

Second Advance

Lender	Amount	Percentage of Total Second Advance
R. Jay Management Ltd.	\$3,100,000.00	100%

Third Advance

Lender	Amount	Percentage of Total Third Advance
J.V. Driver Investments Inc.	\$9,250,700.00	100%

Fourth Advance

Lender	Amount	Percentage of Total Fourth Advance
R. Jay Management Ltd.	\$5,000,000.00	100%

Fifth Advance

Lender	Amount	Percentage of Total Fifth Advance
South Street (Alderbridge) Limited Partnership	\$310,000.00	14.66%
Rev Investments Inc.	\$95,000.00	4.49%
Gatland Development Corporation	\$110,000.00	5.20%
G. Wong Holdings Inc.	\$300,000.00	14.18%
MNB Enterprises Inc.	\$400,000.00	18.91%
Inland Consulting Ltd.	\$300,000.00	14.18%
Voth Developments Ltd.	\$200,000.00	9.46%
R. Jay Management Ltd.	\$400,000.00	18.91%
Total	\$2,115,000.00	100.00%

Sixth Advance

Lender	Amount	Percentage of Total Sixth Advance
South Street (Alderbridge) Limited Partnership	\$2,000,000.00	100%

Seventh Advance

Lender	Amount	Percentage of Total Seventh Advance
South Street (Alderbridge) Limited Partnership	\$75,000.00	33.33%
Rev Investments Inc.	\$75,000.00	33.33%
Gatland Development Corporation	\$75,000.00	33.33%

Eighth Advance

Lender	Amount	Percentage of Total Eighth Advance
South Street (Alderbridge) Limited Partnership	\$265,000	21.81%
REV Investments Inc.	\$265,000	21.81%
Gatland Development Corporation	\$265,000	21.81%
G. Wong Holdings Inc.	\$12,600	1.04%
MNB Enterprises Inc.	\$16,800	1.38%
Inland Consulting Ltd.	\$16,800	1.38%
Voth Developments Ltd.	\$12,600	1.04%
R. Jay Management Ltd.	\$260,400	21.43%
J.V. Driver Investments Inc.	\$100,800	8.30%
Total	\$1,215,000	100.00%

**SCHEDULE B
AMENDED AND RESTATED TERM SHEET**

See attached.

**SCHEDULE C
AMENDED AND RESTATED AGENCY AGREEMENT**

See attached.

SCHEDULE D
FIRST ADVANCE PROMISSORY NOTE

See attached.

SCHEDULE E
SECOND ADVANCE PROMISSORY NOTE

See attached.

**SCHEDULE F
THIRD ADVANCE PROMISSORY NOTE**

See attached.

SCHEDULE G
FOURTH ADVANCE PROMISSORY NOTE

See attached.

**SCHEDULE H
FIFTH ADVANCE PROMISSORY NOTE**

See attached.

**SCHEDULE I
SIXTH ADVANCE PROMISSORY NOTE**

See attached.

SCHEDULE J
SEVENTH ADVANCE PROMISSORY NOTE

See attached.

**SCHEDULE K
EIGHTH ADVANCE PROMISSORY NOTE**

See attached.

This is **Exhibit "N"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

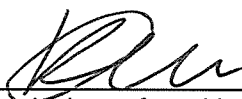
DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

2ML LENDERS' CONTRIBUTIONS

2ML – ADVANCES AND PROMISSORY NOTE AMOUNTS		
2ML Lender	Advances and First, Second, Third and Fourth Promissory Notes	Total (less interest)
MNB Enterprises Inc.	\$285,027 of the Initial Advance \$2,428 for the Fourth Advance Promissory \$400,000 of the Fifth Advance \$18,852 of the Eighth Advance	\$706,307
R. Jay Management Ltd.	\$4,849,538 of the Initial Advance \$9,500,000 of the First Advance \$1,425,450 for the First Advance Promissory Note \$3,100,000 of the Second Advance \$465,000 for the Second Advance Promissory Note \$5,000,000 of the Fourth Advance \$200,501 for the Fourth Advance Promissory Note \$400,000 of the Fifth Advance \$260,680 of the Eighth Advance	\$25,274,570, including \$73,401 of 2ML Lender fees and costs
G. Wong Holdings Inc.	\$285,537 of the Initial Advance \$500,000 of the First Advance \$74,100 for the First Advance Promissory Note \$6,938 for the Fourth Advance Promissory Note \$300,000 of the Fifth Advance \$11,788 of the Eighth Advance	\$1,178,363
Gatland Development Corporation	\$335,926 of the Initial Advance \$2,775 for the Fourth Advance Promissory Note \$110,000 of the Fifth Advance \$75,000 of the Seventh Advance \$265,000 of the Eighth Advance	\$788,701
REV Investments Inc.	\$2,804,985 of the Initial Advance \$24,976 for the Fourth Advance Promissory Note \$95,000 of the Fifth Advance \$75,000 of the Seventh Advance \$265,000 of the Eighth Advance	\$3,264,961
Voth Developments Ltd.	\$1,000,000 for the First Advance \$150,150 for the First Advance Promissory Note \$9,019 for the Fourth Advance Promissory Note \$200,000 for the Fifth Advance \$14,140 of the Eighth Advance	\$1,373,309
Inland Consulting Ltd.	\$1,000,000 for the First Advance \$150,150 for the First Advance Promissory Note \$9,019 for the Fourth Advance Promissory Note \$300,000 for the Fifth Advance \$14,960 of the Eighth Advance	\$1,474,129
Dennis Schwab and Lesley Schwab	\$1,000,000 of the First Advance \$150,150 for the First Advance Promissory Note \$9,019 for the Fourth Advance Promissory Note	\$1,159,169

2ML – ADVANCES AND PROMISSORY NOTE AMOUNTS		
2ML Lender	Advances and First, Second, Third and Fourth Promissory Notes	Total (less interest)
J.V. Driver Investments Inc.	\$9,205,700 of the Third Advance \$345,214 for the Third Advance Promissory Note \$82,212 for the Fourth Advance Promissory Note \$99,580 of the Eighth Advance	\$10,847,060, including \$1,114,354 in JVDI fees and costs
South Street (Alderbridge) Limited Partnership	\$310,000 of the Fifth Advance \$2,000,000 of the Sixth Advance \$75,000 of the Seventh Advance \$265,000 of the Eighth Advance	\$2,650,000

This is **Exhibit "O"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LL
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

Alan A Frydenlund, QC*
 Harvey S Delaney*
 Paul J Brown*
 Heather E Maconachie
 Michael F Robson*
 Paul A Brackstone*
 Pamela E Sheppard*
 Jocelyn M Belleaud*
 Heather A. Frydenlund**
 Georgia Barnard
 Yasmin D'Cosia

Allison R Kuchta*
 James L Carpick*
 Patrick J Haberl*
 Terence W Yu*
 James H McBeath*
 Scott W Urquhart
 George J Roper*
 Tony R Anderson*
 Brian Y K Cheng***
 Lucky D Johal
 Taahaa Patel

Jeffrey B Lightfoot*
 Christopher P Weafer*
 Gregory J Tucker, QC* **
 Harley J Harris*
 Jennifer M Williams*
 Scott H Stephens*
 David W P Moriarty
 Katharina R Spotzl*
 Steffi M Boyce
 Brittney S Dumanowski

Daniel W Burnett, QC*
 Ronald G Paton*
 Gary M Yaffe*
 Jonathan L Williams*
 Kari F Richardson*
 James W Zaitsoff*
 Daniel H Coles*
 Sameer Kamboj
 Patrick J Weafer
 Laura A Bultendyk

Rose-Mary L Basham, QC, Associate Counsel*
 Josephine M Nadel, QC, Associate Counsel*
 James D Burns, Associate Counsel*
 Duncan J Manson, Associate Counsel*
 Hon Walter S Owen, QC, QC, LLD (1981)
 John I Bird, QC (2005)

* Law Corporation
 * Also of the Yukon Bar
 ** Also of the Alberta Bar
 *** Also of the Ontario Bar
 ** Also of the Washington Bar

PO Box 49130
 Three Bentall Centre
 2900-595 Burrard Street
 Vancouver, BC
 Canada V7X 1J5

Telephone 604 688-0401
 Fax 604 688-2827

Website www.owenbird.com

Direct Line: 604 691-7562

Direct Fax: 604 632-4483

E-mail: jwilliams@owenbird.com

Our File: 36489/0005

June 9, 2021

PERSONAL DELIVERY VIA COURER

and

REGISTERED MAIL

0989705 B.C. Ltd.
 200-1778 West 2nd Avenue
 Vancouver, BC V6J1H6

Dear Sirs/Mesdames:

Re: Mortgage financing in the amount of \$60,000,000.00, secured by a mortgage executed by 0989705 B.C. Ltd. in favour of GEC (Richmond) G.P. Inc. on May 24, 2018, and registered at the New Westminster Land Title Office under charge number CA6831053 on May 30, 2018, and extended by CA7379133 on March 5, 2019 (the "Mortgage") over lands located on Alderbridge Way, Richmond, British Columbia (the "Lands")

We are counsel for GEC (Richmond) G.P. Inc.

We are advised that you are in default under the above captioned Mortgage.

We are advised that the amount owing under the Mortgage as at June 8, 2021, is \$94,107,754.14 calculated as follows:

Amount owing under the Mortgage	\$94,106,654.14
Legal	\$1,100.00
Total Amount – June 8, 2021	\$94,107,754.14

together with interest of 15% per annum, calculated and compounded quarterly, currently accruing at the rate of \$38,673.97 per day.

June 9, 2021
Page 2

OWEN BIRD
LAW CORPORATION

Our client hereby demands the full amount due and owing pursuant to the Mortgage. Demand is hereby made for the immediate payment to our offices by way of certified cheque, bank draft, money order or lawyer's or notary's certified trust cheque in the sum of \$94,107,754.14, being the total amount owing under the Mortgage plus our legal fees as at June 8, 2021, and \$38,673.97 per day thereafter up until the date payment is received at our office. Please note that funds received after 1:00 pm PST shall be regarded as funds received on the next business day and therefore must include interest to and including the next business day.

Unless we are in receipt of the aforementioned sum, plus interest on or before 1:00 PM PST, on or before June 21, 2021, our client may instruct us to commence proceedings forthwith thereafter without further notice to you to recover the full amount owing under the Mortgage, plus interest and costs.

Enclosed with this letter for delivery upon you is our client's Notice of Intention to Enforce Security delivered to you pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada).

Please govern yourself accordingly.

Yours truly,

OWEN BIRD LAW CORPORATION



Jonathan L. Williams

JLW/km

E&OE

Encl.: s.244 notice

FORM 86

Notice of Intention to Enforce Security
[Subsection 244(1)]

To: **0989705 B.C. LTD.**, an insolvent person

Take notice that:

1. **GEC (RICHMOND) GP INC.**, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

All real property interests of the insolvent person specifically charged in favour of **GEC (RICHMOND) GP INC.**

2. The security that is to be enforced is in the form of a Mortgage of Land and all other security granted by the insolvent person to **GEC (RICHMOND) GP INC.**
3. The amount of the arrears secured by the security is:

\$94,106,654.14 as of June 8, 2021 plus interest at an interest rate of 15% per annum, calculated and compounded quarterly, and all costs and charges of enforcement.
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 Vancouver, British Columbia, this 9th day of June, 2021.



Solicitors for **GEC (RICHMOND) GP INC.**

Name and Address of Solicitors for **GEC (RICHMOND) GP INC.**

JONATHAN L. WILLIAMS, OWEN BIRD LAW CORPORATION, P.O. Box 49130, Three
Bentall Centre, 2900-595 Burrard Street, Vancouver, B.C., V7X 1J5, Tel.: (604) 688-0401.

E&OE

This is **Exhibit "P"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

**ALDERBRIDGE WAY
CCAA SALES AND INVESTMENT SOLICITATION PROCESS**

INTRODUCTION

1. Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Monitor with enhanced powers (the “**Monitor**”) in respect of all the assets, undertakings and property (collectively, the “**Property**”) of 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Alderbridge Way Limited Partnership (the “**Debtors**”) pursuant to an Order issued by the British Columbia Supreme Court (the “**Court**”) on April 1, 2022 (the “**Initial CCAA Order**”). All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Initial CCAA Order.
2. On April 25, 2022 the Court issued an Order (the “**SISP Approval Order**”) which, *inter alia*, approved this Sales and Investment Solicitation Process (the “**SISP**”) involving the Property, including without limitation, the mixed-used construction project at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia (the “**Development**”) and the Debtors. This SISP describes the manner in which parties may gain access to or continue to have access to due diligence materials concerning the Debtors and the Property, how bids involving the Property or Debtors will be submitted to and dealt with by the Monitor and how Court approval will be sought in respect of a transaction involving the Property or Debtors.
3. The terms of this SISP, including the requirements, criteria and timelines set out herein may be amended, extended or waived by the Monitor with the consent of Romspen Investment Corporation (“**Romspen**”) or by further order of this Court.
4. In consultation with the Debtors and Romspen, the Monitor has solicited and considered marketing proposals from commercial real estate agents for the marketing of the Property and selected [] (the “**Sales Agent**”) to assist with the SISP.
5. The Monitor may engage such other consultants, agents or experts and such other persons from time to time and on whatever basis to assist the Monitor in carrying out this SISP.

“AS IS, WHERE IS” BASIS

6. Any transaction involving the Property or the Debtors will be subject only to such representations, warranties, covenants, or indemnities as are expressly included in the Final Agreement (as defined herein), but will otherwise be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Monitor, the Debtors, or any of their agents, estates, advisors, professionals or otherwise, and in the event of a sale, all of the right, title and interest of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests therein and thereon pursuant to Court orders except those assumed pursuant to the Final Agreement.

TIMELINE

7. The following table sets out the target dates under the SISP:

PHASES	TARGET DATES
SISP to commence	April 26, 2022
LOI Deadline	May 18, 2022
Final Bid Process commences	May 24, 2022
Final Bid Deadline	June 22, 2022
Final Agreement Deadline	July 4, 2022
Outside Closing Date	July 27, 2022

THE SISP PROCESS**A. Initial Solicitation of Interest**

8. The Monitor, or the Sales Agent in consultation with the Monitor, may contact any persons to solicit non-binding indications of interest in the Property or Debtors.
9. As soon as reasonably practicable following the SISP Approval Order, the Sales Agent, in consultation with the Monitor, may, but is not required to, cause a notice regarding this SISP, in a form satisfactory to the Sales Agent, in consultation with the Monitor, to be published in any publication that the Sales Agent, in consultation with the Monitor, determines notice of this SISP should be published in.
10. As soon as reasonably practicable after the granting of the SISP Approval Order, the Sales Agent, in consultation with the Monitor, will prepare a list of potential bidders (the "**Known Potential Bidders**") who may have interest in a transaction involving the Property or the Debtors. Such list will include parties who, in the Sales Agent's and the Monitor's reasonable judgment, may be interested in acquiring an interest in the Property or the Debtors whether pursuant to an asset purchase transaction (an "**Asset Bid**") or some other restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors (a "**Restructuring Bid**").
11. The Sales Agent, in consultation with the Monitor, may prepare an initial marketing or offering summary (a "**Teaser Letter**") notifying Known Potential Bidders of the SISP and inviting the Known Potential Bidders to express their interest in making an Asset Bid or a Restructuring Bid.
12. The Monitor or the Sales Agent, in consultation with the Monitor, may distribute to the Known Potential Bidders and any other interested persons any Teaser Letter, or other marketing material, as well as a draft form of confidentiality agreement (the "**Confidentiality Agreement**").

13. Any person who (a) executes a Confidentiality Agreement, in form and substance satisfactory to the Monitor, and (b) in the opinion of the Monitor, has the financial capabilities and technical expertise to make a viable Asset Bid or Restructuring Bid, shall be deemed to be a potential bidder (each such person so deemed, a "**Potential Bidder**").

B. Due Diligence

14. The Sales Agent, in consultation with the Monitor, may prepare such marketing or other materials as the Sales Agent and Monitor deem appropriate describing the opportunity to make an Asset Bid or a Restructuring Bid for distribution to Potential Bidders in accordance with this SISP.
15. The Sales Agent shall provide Potential Bidders with information, including access to the electronic data room content previously utilized in connection with the sales process involving the Debtors, that the Monitor in its sole discretion determines appropriate for Potential Bidders to evaluate a transaction involving an Asset Bid or a Restructuring Bid.
16. The Monitor, the Debtors, the Sales Agent and any of their agents, estates, advisors, and professionals are not responsible for, and will have no liability with respect to, any information provided to or obtained by any Potential Bidder in connection with the Debtors or their Property.

C. Qualified LOI Process

17. Any Potential Bidder who wishes to submit an Asset Bid or a Restructuring Bid must deliver a written, non-binding letter of intent in respect of the Property or the Debtors (each, a "**LOI**") to the Monitor at the address specified in and in accordance with **Schedule "A"** so as to be received by the Monitor not later than 5:00 p.m. (Pacific time) on **May 18, 2022**, (the "**LOI Deadline**"). A LOI shall be a qualified LOI (each, a "**Qualified LOI**") provided that it contains:
 - (a) an acknowledgment of receipt of a copy of this SISP, the SISP Approval Order and agreeing to accept and be bound by the provisions contained therein;
 - (b) a specific indication of the anticipated sources of capital for such Potential Bidder and such additional information as may be requested by the Monitor as being reasonably necessary for the Monitor to assess in its reasonable business or professional judgment the Potential Bidder's financial and other capabilities to consummate an Asset Bid or a Restructuring Bid;
 - (c) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect owners of the Potential Bidder and their principals;
 - (d) an indication of whether the Potential Bidder wishes to tender (i) an Asset Bid; or (ii) a Restructuring Bid;
 - (e) in the case of an Asset Bid, it identifies:

- (i) the purchase price range (including liabilities to be assumed by the Potential Bidder);
 - (ii) the Property included, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
 - (iii) the structure and financing of the transaction;
 - (iv) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (v) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
 - (vi) any conditions to closing that the Potential Bidder may wish to impose; and
 - (vii) any other terms or conditions of the Asset Bid which the Potential Bidder believes are material to the transaction;
- (f) in the case of a Restructuring Bid, it identifies:
- (i) an outline of the type of transaction or structure of the bid including with respect to any proposed restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors, as applicable;
 - (ii) the aggregate amount of the equity and debt investment, including liabilities to be assumed by the Potential Bidder, to be made in the Debtors, if applicable;
 - (iii) the underlying assumptions regarding the pro forma capital structure (including, the anticipated debt levels, debt service fees, interest and amortization);
 - (iv) the consideration to be allocated to the stakeholders including claims of any secured or unsecured creditors of the Debtors;
 - (v) the financing of the transaction;
 - (vi) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (vii) anticipated tax planning, if any;
 - (viii) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;

- (ix) any conditions to closing that the Potential Bidder may wish to impose; and
 - (x) any other terms or conditions of the Restructuring Bid which the Potential Bidder believes are material to the transaction; and
- (g) such other information reasonably requested by the Monitor.
- 18. The Monitor shall retain full discretion and authority to discuss any LOIs received, and their terms, with the applicable Potential Bidders.
- 19. Any Potential Bidder who submits a Qualified LOI on or before the LOI Deadline shall be designated a **"Qualified Bidder"**.
- 20. The Monitor shall make all reasonable efforts to make a determination as to whether a Potential Bidder is a Qualified Bidder as soon as reasonably practicable after the LOI Deadline.

D. Final Bid Process

- 21. The Monitor may invite Qualified Bidders to conduct additional due diligence or otherwise make available to Qualified Bidders additional information not posted in the electronic data room, arrange for inspections and site visits, as determined by the Monitor.
- 22. Any Qualified Bidder may submit an Asset Bid or a Restructuring Bid (each, a **"Final Bid"**) to the Monitor at the address specified in **Schedule "A"** hereto on or before 5:00 pm (Pacific Time) on **June 22, 2022** (the **"Final Bid Deadline"**).
- 23. A Final Bid submitted as an Asset Bid shall be a **"Qualified Asset Bid"** in the event that:
 - (a) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto;
 - (b) it includes a letter stating that the Asset Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Asset Bid is selected as the Winning Bid (as defined below) or the Backup Bid (as defined below), it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
 - (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
 - (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to the Qualified Bidders (and its direct and indirect owners and their principals)

financial and other capabilities to consummate the transaction contemplated by the Qualified Asset Bid;

- (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
- (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the purchase and sale agreement;
- (g) it fully discloses the identity of each person that is bidding or otherwise that will be sponsoring or participating in the Asset Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- (h) it provides for closing of the proposed transaction by no later than **July 27, 2022** (the "**Outside Closing Date**");
- (i) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Monitor), in an amount equal to five percent (5%) of the cash consideration to be paid in respect of the Asset Bid, to be held and dealt with in accordance with this SISP;
- (j) it contains other information reasonably requested by the Monitor; and
- (k) it is received by no later than the Final Bid Deadline.

24. A Final Bid submitted as a Restructuring Bid shall be a "**Qualified Restructuring Bid**" in the event that:

- (a) it includes definitive documentation, duly authorized and executed by the Qualified Bidder, setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment, assumption of debt, if any, and details regarding the proposed equity and debt structure of the Debtors following completion of the proposed transaction;
- (b) it includes a letter stating that the Restructuring Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Restructuring Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
- (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;

- (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to Qualified Bidders (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Qualified Restructuring Bid;
 - (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
 - (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Restructuring Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the definitive documentation;
 - (g) it fully discloses the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Restructuring Bid, including the identification of the Qualified Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
 - (h) it provides for closing of the proposed transaction by no later than the Outside Closing Date (being **July 27, 2022**);
 - (i) it is accompanied by a refundable Deposit in the form of a wire transfer (payable to a trust account specified by the Monitor) in an amount equal to five percent (5%) of the cash consideration to be paid pursuant to the Restructuring Bid, to be held and dealt with in accordance with this SISF;
 - (j) it contains other information reasonably requested by the Monitor; and
 - (k) it is received by no later than the Final Bid Deadline.
25. All Qualified Asset Bids and Qualified Restructuring Bids shall constitute "**Qualified Final Bids**".

E. Selection of Winning Bid

26. In reviewing the Qualified Final Bids and before determining the Winning Bid and Backup Bid (both as defined below), the Monitor shall retain full discretion and authority to discuss the bids received, and their terms, with the applicable Qualified Bidders.
27. The Monitor shall review all Qualified Final Bids in order to determine the highest or otherwise best bid, which determination will not be based on price alone. The Monitor

shall exercise its judgment in evaluating Qualified Final Bids with conditionality of any bid being a significant factor. Other evaluation criteria will include, but are not limited to, matters such as: (a) the purchase price or net value being provided by such bid; (b) the firm, irrevocable commitment for financing the proposed transaction; (c) the timeline to closing of any bid; (d) the identity, circumstances and ability of the proponents of the Qualified Final Bids to successfully complete the transaction; (e) the costs associated with the bid and its consummation; and (f) the terms of the proposed transaction documents.

28. A Qualified Final Bid cannot, without the consent of Romspen, be accepted as the Winning Bid or Backup Bid (both defined below) unless that Qualified Final Bid generates sufficient net cash proceeds to pay out all obligations owing to Romspen (including pursuant to any protective disbursements made by Romspen or court approved interim lending facility provided by Romspen) and any amounts required to satisfy any Court ordered charges that rank ahead of Romspen's security.
29. The Monitor shall, in consultation with Romspen, identify the highest or otherwise best Qualified Final Bid received (the "**Winning Bid**") and the next highest or otherwise best Qualified Final Bid received (the "**Backup Bid**"). The person(s) who made the Winning Bid shall be the "**Successful Bidder**" and the person(s) who made the Backup Bid shall be the "**Backup Bidder**".
30. The Monitor shall notify the Successful Bidder, if any, the Backup Bidder, if any, and any other bidders of their respective status as soon as reasonably practicable in the circumstances.
31. The Monitor will notify the Backup Bidder, if any, that their bid is the successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Monitor until the earlier of (i) the consummation of the transaction contemplated by the Winning Bid; and (ii) the date that is 30 days after the Final Agreement Deadline, as defined below, (the "**Backup Bid Release Date**"). For greater certainty, the Monitor shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Release Date.
32. The Monitor may, but shall have no obligation to, enter into an agreement or agreements with the Successful Bidder (a "**Final Agreement**"). Any Final Agreement entered into with the Successful Bidder shall be executed on or before **July 4, 2022** (the "**Final Agreement Deadline**").
33. The Monitor has the right not to accept any Qualified Final Bid. The Monitor further has the right to deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or Qualified Final Bids for some or all of the Property or in relation to some or all of the Debtors, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

TERMINATION OF THE SISP

34. In the event that,
 - (a) the Monitor does not receive any Qualified LOI(s) by the LOI Deadline or no LOIs are deemed commercially reasonable by the Monitor; or

- (b) the Monitor does not receive any Final Bid(s) by the Final Bid Deadline; or
- (c) there is no Qualified Asset Bid or Qualified Restructuring Bid, as determined by the Monitor in accordance with the SISP, within two (2) business days after the Final Bid Deadline, or the Monitor determines that no Qualified Final Bids should be accepted; or
- (d) there is no Winning Bid, as determined by the Monitor in accordance with the SISP, within five (5) business days after the Final Bid Deadline; or
- (e) a Final Agreement is not executed by the Final Agreement Deadline; or
- (f) a transaction contemplated by the Final Agreement does not close by the Outside Closing Date,

then this SISP shall terminate.

APPROVAL ORDER

- 35. In the event that the Monitor enters into a Final Agreement in respect of a Winning Bid, a Backup Bid, or any other bid, the Monitor shall apply for an order from the Court approving the transaction contemplated by that bid and any necessary or appropriately related relief required to consummate the transaction contemplated by that bid. The Monitor may also concurrently obtain relief approving the transaction contemplated by the Backup Bid and any necessary related relief required to consummate the transaction contemplated by the Backup Bid.

DEPOSITS

- 36. All Deposits paid pursuant to this SISP shall be held in trust by the Monitor in a non-interest bearing account. The Monitor shall hold Deposits paid by each of the Winning Bidder and the Backup Bidder in accordance with the terms outlined in this SISP.
- 37. In the event that a Deposit is paid pursuant to this SISP and the Monitor elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the person that paid such deposit, the Monitor shall return the Deposit to that Person.
- 38. If (i) the Successful Bidder or Backup Bidder breaches any of its obligations under its Qualified Final Bid, any Final Agreement or the terms of this SISP, or (ii) a Qualified Bidder breaches its obligations under the terms of this SISP or under the terms of its Qualified Final Bid if required by the Monitor to complete such transaction contemplated by its Qualified Final Bid, then, in each case, such Qualified Bidder's Deposit will be forfeited as liquidated damages and not as a penalty.

INFORMATION, CONSULTATION AND CONFIDENTIALITY

- 39. The Debtors shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations under this SISP and provide the Monitor with the assistance, information and documentation that is reasonably necessary to enable the Monitor to adequately carry out the Monitor's functions herein, provided however that the Debtors

shall not be obligated to support the Monitor's application for an approval order as described in paragraph 35 hereof.

40. Romspen will be entitled to be consulted throughout this SISP and have full access to, on a confidential basis, copies of all bidder and sales information, including but not limited to bidder solicitation materials, LOIs, Final Bids and any definitive agreements and drafts in connection therewith, together with regular updates from the Monitor during the SISP.
41. Subject to paragraph 42 hereof, the Monitor may, as deemed appropriate by the Monitor, and where such consultation does not negatively impact the integrity of this SISP, consult with the Debtors, and the Debtors' second-lien mortgage lenders (the "**2ML Lenders**") and Global Education City (Richmond) Limited Partnership ("**GEC**").
42. None of the Debtors, the 2ML Lenders or GEC, either directly or indirectly, and their respective principals, loan participants, agents, advisors, representatives, shareholders, unit holders, equity holders, directors and officers (collectively, "**Connected Persons**") are entitled to any SISP-related information or to be consulted in relation to the SISP until such time as any such party confirms in writing to the Monitor that they and their Connected Persons will not be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development (the "**Non-Bid Notice**"), after which, the Monitor: (a) with respect to the Debtors, if applicable, shall consult with the Debtors in respect of any material SISP decisions to be made by the Monitor and share SISP-related information including bid-related information and documents including LOIs and Final Bids with the Debtors; and (b) with respect to the 2ML Lenders and GEC, or any of them, as applicable, may consult with the 2ML Lenders and GEC in respect of any material SISP decisions to be made by the Monitor. For greater certainty, the Debtors, the 2ML Lenders or GEC, and their respective Connected Persons, as applicable, shall not be entitled to be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development after the submission of a Non-Bid Notice.
43. The Sales Agent shall keep confidential all information concerning Potential Bidders, LOIs, Qualified Bidders, Final Bids, Qualified Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement.

SCHEDULE "A"**Addresses for Deliveries**

Any delivery made to the Monitor pursuant to this SISP shall be made to:

Alvarez & Marsal Canada Inc.
902, 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Anthony Tillman
Email: atillman@alvarezandmarsal.com

Deliveries pursuant to this SISP by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the address as identified above.

No. _____
Vancouver Registry**IN THE SUPREME COURT OF BRITISH COLUMBIA**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

– AND –

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD., and ALDERBRIDGE WAY LIMITED
PARTNERSHIP

PETITIONERS

ORDER MADE AFTER APPLICATION**(Approval of Sale and Investment Solicitation Process)**BEFORE) THE HONOURABLE JUSTICE _____) APRIL 25, 2022
))

ON THE APPLICATION of the Petitioners (the "**Applicants**") coming on for hearing this day at 800 Smithe Street, Vancouver, B.C., and on hearing John Sandrelli and Valerie Cross, counsel for the Applicants, and other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the Affidavit #1 of Graham Thom sworn March 30, 2022, Affidavit #NTD of _____, sworn March [--], 2022, the First Report of the Monitor dated _____, 2022, [etc];

THIS COURT ORDERS that:

SERVICE

1. The time for service of the Applicant's Notice of Application dated March [--], 2022 is abridged such that this Application is properly returnable today.

APPROVAL OF SALES AND INVESTMENT SOLICITATION PROCESS

2. The Sales and Investment Solicitation Process attached as **Schedule "B"** to this Order (the "**SISP**") is approved.

3. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the **SISP**.

4. Alvarez & Marsal Canada Inc. (the “**Monitor**”) is authorized and directed to carry out the SISP in accordance with its terms and this Order, and to take such further steps and execute such documents, whether in the Monitor’s name or in the name and on behalf of any of the Petitioners, as the Monitor considers necessary or reasonably incidental to the SISP.

5. In the event that:

- (a) the Monitor does not receive any Qualified LOI(s) by the LOI Deadline; or
- (b) the Monitor does not receive any Final Bid(s) by the Final Bid Deadline; or
- (c) there is no Qualified Asset Bid or Qualified Restructuring Bid, as determined by the Monitor in accordance with the SISP, within two (2) business days after the Final Bid Deadline; or
- (d) there is no Winning Bid, as determined by the Monitor in accordance with the SISP, within five (5) business days after the Final Bid Deadline; or
- (e) a Final Agreement is not executed by the Final Agreement Deadline; or
- (f) a transaction contemplated by the Final Agreement does not close by the Outside Closing Date,

the Monitor shall, as soon as reasonably possible, file with this Court a certificate (the “**Monitor’s SISP Certificate**”) substantially in the form attached as **Schedule “C”** to this Order, confirming such fact. For greater certainty, each of the deadlines and dates referenced in this paragraph 5 may be extended in accordance with paragraph 3 of the SISP.

GENERAL

6. For greater certainty, the rights and protections afforded to the Monitor pursuant to the *Companies’ Creditors Arrangement Act* or the Order of this Court granted on April 1, 2022, as amended or restated from time to time, (the “**Initial Order**”) shall apply in relation to any actions or steps undertaken by the Monitor pursuant to the SISP. The Monitor and its affiliates, partners, directors, employees, advisors and agents (collectively, its “**Assistants**”) are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the SISP in accordance with its terms and this Order, and the Monitor and its Assistants shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP and this Order, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of the Monitor or its Assistants, as determined by this Court.

7. The Monitor, or any interested party, may from time to time apply to this Court for advice and directions with respect to the SISP, on reasonable notice to the Service List (as defined in the Initial Order).

8. Endorsement of this Order by counsel appearing on this application other than the counsel for the Applicants is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of John Sandrelli
Lawyer for the Applicants

BY THE COURT.

Registrar

Schedule "A"List of Counsel

Counsel name/litigant	Party Represented
Peter Rubin	Romspen Investment Corporation

Schedule "B"

ALDERBRIDGE WAY SALES AND INVESTMENT SOLICITATION PROCESS

Schedule "C"

SISP Certificate

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002, c 57

AND

IN THE MATTER OF 0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD., AND
ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

MONITOR'S SISP CERTIFICATE

This Certificate is filed pursuant to the Order of the Supreme Court of British Columbia granted in these proceedings on April 25, 2022 (the "**SISP Order**"). Capitalized terms in this Certificate have the meanings ascribed to them in the SISP Order.

Pursuant to paragraph 5 of the SISP Order, Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Monitor of 0989705 B.C. Ltd., Alderbridge Way GP Ltd., and Alderbridge Way Limited Partnership, hereby confirms that the following SISP Event (as defined herein) has occurred:

- the Monitor has not received any Qualified LOI(s) by the LOI Deadline; or
- the Monitor has not received any Final Bid(s) by the Final Bid Deadline; or
- there is no Qualified Asset Bid or Qualified Restructuring Bid, as determined by the Monitor in accordance with the SISP, within two (2) business days after the Final Bid Deadline; or
- there is no Winning Bid, as determined by the Monitor in accordance with the SISP, within five (5) business days after the Final Bid Deadline; or
- a Final Agreement has not been executed by the Final Agreement Deadline; or
- a transaction contemplated by the Final Agreement has not closed by the Outside Closing Date.

(each a "**SISP Event**").

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of _____, 2022.

ALVAREZ & MARSAL CANADA INC., in its capacity as court appointed Monitor of 0989705 B.C. Ltd., Alderbridge Way GP Ltd., and Alderbridge Way Limited Partnership and not in its personal capacity

By:

Name

Position

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c.C-36, as amended

AND

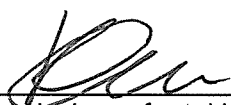
IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD., and
ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

ORDER

DENTONS CANADA LLP
BARRISTERS & SOLICITORS
20th Floor, 250 Howe Street
Vancouver, British Columbia V6C 3R8
Attn: John Sandrelli

This is **Exhibit "Q"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

Alderbridge Way Limited Partnership, et al
Cash Flow Statement¹
For the period ending April 29, 2022
(C\$000s)

Week		Week 1	Week 2	Week 3	Week 4	Week 5	
Week Ending	Notes	1-Apr	8-Apr	15-Apr	22-Apr	29-Apr	Total
Receipts							
Interim facility	3	\$ 525	\$ -	\$ -	\$ 325	\$ 150	\$ 1,000
GST and other refunds	4	-	-	-	-	-	-
Total Receipts		525	-	-	325	150	1,000
Disbursements							
Site management		-	18	-	-	18	36
Site security		-	13	-	-	13	26
Equipment rental		-	20	-	-	20	40
Property fence		-	50	-	-	75	125
Fuel costs		-	16	-	-	18	34
Dewatering costs		50	-	50	-	-	100
Wall and Geotechnical monitoring		-	10	-	-	10	20
Direct contingency	6	-	5	-	-	5	10
Direct site services	5	50	132	50	-	159	391
Other disbursements							
Project Management	7	-	10	-	-	10	20
Professional fees	8	-	250	-	305	-	555
Interim facility interest cost and fees		25	-	-	-	-	25
Total other disbursements	9	25	260	-	305	10	600
Total Disbursements		75	392	50	305	169	991
Net Cash Flow		450	(392)	(50)	20	(19)	9
Cash Position							
Opening Cash Position	2	-	450	58	8	28	-
Closing Cash Position		\$ 450	\$ 58	\$ 8	\$ 28	\$ 9	\$ 9

Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd.**Combined Cash Flow Statement****Notes and Assumptions**

1. The cash flow statement (the "Cash Flow Forecast") has been prepared by management of Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. (collectively, the "Company") to set out the liquidity requirements of the Company during the *Companies' Creditors Arrangement Act* proceedings (the "CCAA Proceedings").

The Cash Flow Forecast has been prepared by Management based on unaudited financial information, and Management's estimates of its projected receipts and disbursements. Readers are cautioned that since the estimates are based on future events and conditions that are not ascertainable, the actual results achieved will vary, even if the assumptions materialize, and such variations may be material. There are no representations, warranties or other assurances that any of the estimates, forecasts, or projections will be realized. The projections are based upon certain estimates and assumptions discussed below and may be amended from time to time during the CCAA Proceedings. Upon such amendments, Management will update its cash flow forecast accordingly as included herein.

2. The opening cash position as presented in the Cash Flow Forecast includes the Company's actual cash availability as of the first day of the Cash Flow Forecast.
3. Advances under the Interim Lending Facility being provided by Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership, are to be funded after the corresponding Interim Financing Charge is approved by the Supreme Court of British Columbia. The initial draw of \$525,000 is expected over the first 10 days of the CCAA filing, and a total of \$1.0 million is expected to be drawn over the forecast period.
4. The Company does not expect to collect any significant receipts, other than advances under the Interim Lending Facility, during the CCAA Proceedings.
5. Direct site costs represent costs to be incurred to maintain the property located at 5333 No. 3 Road, Richmond, BC. These costs represent payments for essential services to be performed on site, including site management, dewatering, security and other safety monitoring procedures.

6. A contingency for direct site costs has been forecast for unexpected site costs that may arise during the CCAA Proceedings.
7. Project management costs represents payments to Tatton Development Holdings Corp. for the administration of the development.
8. Restructuring professional fees have been forecast based on projected costs of professional services firms relating to the CCAA Proceedings and include the Company's legal counsel as well as the Monitor and its legal counsel. Payments forecast in Week 2 and Week 4 of the Cash Flow Forecast represents the payment for retainers and the payment of professional fees for services rendered during the lead up to the CCAA Proceedings.
9. The Cash Flow Forecast excludes any costs related to a sales process.

This is **Exhibit "R"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia



DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe Street
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4460

INTERIM FINANCING TERM SHEET**Dated as of March 30, 2022**

WHEREAS Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. wish to commence proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Supreme Court of British Columbia (the "**Court**");

AND WHEREAS Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. have requested that the Interim Lenders (as defined below, each of which is a lender under the 2ML Term Sheet) provide them with loans in order to, among other things, fund certain of their obligations during the pendency of the CCAA Proceedings;

AND WHEREAS each Interim Lender (as defined below) has agreed to provide the requested loans in accordance with the terms set out herein.

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. **Borrowers:** Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd., together the "**Borrowers**" and each a "**Borrower**", acting jointly and severally.
2. **Interim Lenders** Gatland Development Corporation ("**Gatland**"), REV Investments Inc. ("**REV**") and South Street (Alderbridge) Limited Partnership ("**South Street**"), (together with any other entity party hereto from time to time as a lender as successor or assignee thereof, collectively, the "**Interim Lenders**", and each, individually, a "**Interim Lender**").

The obligations of the Interim Lenders shall be several (and not joint and several). No Interim Lender shall be responsible for the obligations of any other Interim Lender under this Interim Financing Term Sheet, and the failure by any Interim Lender to perform its obligations under this Interim Financing Term Sheet shall not affect the obligations of any other Interim Lender hereunder.
3. **Defined Terms** Capitalized terms used in this Interim Financing Term Sheet and not defined herein have the meanings given thereto in Schedule "A". Unless otherwise noted herein, all references herein to "dollars" or to "\$" means Canadian dollars.
4. **Purpose:** To provide for the short-term liquidity needs of the Borrowers in accordance with the Charging Order and the Initial Order while the Borrowers are under Court protection pursuant to the CCAA Proceedings.
5. **Interim Facility and Maximum Amount:** A priority, interim, revolving credit facility (the "**Interim Facility**") up to a maximum principal amount of \$1,000,000 (the "**Maximum Amount**"), subject to the terms and conditions contained herein.

6. **Interest Rate:** Advances under the Interim Facility ("**Interim Advances**" and each an "**Interim Advance**") shall bear interest at a rate equal to 10% per annum. Interest shall accrue daily on the aggregate outstanding principal of the Interim Facility and shall be calculated and payable in cash in arrears on the first Business Day of each month to each Interim Lender on a Pro Rata Basis to such account as directed in writing by each such Interim Lender to the Borrowers from time to time.
- All interest and fees will be calculated on the basis of a 365 day year and actual days lapsed, up to (but excluding) the date of actual payment from the funding date or the due date, as applicable; provided that whenever a rate of interest or fee hereunder is calculated on the basis of a year (the "**deemed year**") that contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or fee rate shall be expressed as a yearly rate by multiplying such rate of interest or fee by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year. The principle of deemed reinvestment of interest does not apply to any interest calculation in any Interim Financing Credit Documentation, and the rates of interest stipulated in any Interim Financing Credit Documentation are intended to be nominal rates and not effective rates or yields.
7. **Fees:** A closing fee in the aggregate amount of \$25,000 is to be paid by the Borrowers to the Interim Lenders on a Pro Rata Basis on the date that the initial Interim Advance is made.
8. **Use of Proceeds:** The Borrowers are authorized to use Interim Advances only:
- (i) for working capital, including for restructuring costs in the CCAA Proceedings and for other general corporate purposes of the Borrowers;
 - (ii) to make payments necessary to comply with or as contemplated under the Charging Order and the Initial Order;
 - (iii) to pay the professional fees of the Interim Lenders in connection with the CCAA Proceedings, whether incurred before or after the granting of the Initial Order; and
 - (iv) to pay the fees and expenses of the beneficiaries of the Administration Charge and professional fees of the Borrowers and Monitor (including the Borrowers' legal counsel, the Monitor and the Monitor's legal counsel and such other agents, advisors and consultants of the Borrowers retained in accordance with the Initial Order), incurred before or after the granting of the Initial Order,

provided that no proceeds from the Interim Facility or the Collateral shall be used other than in accordance with this Interim Financing Term Sheet unless otherwise agreed in writing by the Interim Lenders.

9. **Availability Under Interim Facility:**

For an Interim Advance, the applicable Borrower shall, if the Funding Conditions have been satisfied, deliver a written request for such Interim Advance (a "**Interim Advance Request**") to the Interim Lenders. Each Interim Advance shall be made by the Interim Lenders on a pro rata basis, giving effect to the proportionate and aggregate Commitments of the Interim Lenders as set out in Schedule "C" hereto (such pro rata allotment herein referred to as "**Pro Rata Basis**") to the Borrowers on the date set out in the relevant Interim Advance Request (provided that such date shall not be less than one Business Day following the date on which the Borrowers deliver the Interim Advance Request). For greater certainty, each Interim Lender shall fund on a Pro Rata Basis each Interim Advance made pursuant to this Interim Financing Term Sheet by depositing the amount required to be funded by such Interim Lender in the Borrower Account on or before the dates otherwise required herein.

Interim Advances shall be available in Canadian dollars and shall be made on a Pro Rata Basis by the Interim Lenders.

10. **Conditions Precedent To Effectiveness:**

The effectiveness of this Interim Financing Term Sheet is subject to the satisfaction of the following conditions precedent:

- (a) the Court shall have pronounced an order (the "**Charging Order**") (as part of the Initial Order in the CCAA Proceedings) approving this Interim Financing Term Sheet and the Interim Facility and granting the Interim Lenders a priority charge (the "**Interim Lenders' Charge**") in favour of the Interim Lenders on the Collateral of the Borrowers, securing all obligations, covenants and liabilities owing by the Borrowers to the Interim Lenders hereunder including, without limitation, all principal, interest, fees, indemnities and the Interim Financing Fees and Expenses (collectively, the "**Interim Financing Obligations**"); the Charging Order shall provide that the Interim Lenders' Charge shall have priority over all Liens, except for the Permitted Priority Liens and shall, among other things, appoint Alvarez & Marsal Canada as the Monitor; and the Charging Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a way that adversely impacts the rights and interests of the Interim Lenders in a material manner, without the consent of the Interim Lenders;
- (b) the Interim Financing Credit Documentation shall have been executed by the Borrowers; and
- (c) all expenses (including all legal fees and expenses) of the Interim Lenders incurred in connection with the Interim Facility shall have been paid in full as and to the extent required under

Section 14 (which expenses may be deducted from the Interim Advances, as applicable).

11. **Conditions Precedent To Interim Advances:** The Interim Lenders' obligation to make Interim Advances to the Borrowers is subject to the satisfaction of the following conditions precedent (collectively, the "**Funding Conditions**"):
- (a) this Interim Financing Term Sheet shall have become effective and all conditions precedent set out in Section 10 shall have been fulfilled;
 - (b) the Interim Lenders shall have received from the Borrowers an Interim Advance Request, substantially in the form attached hereto as Schedule "B";
 - (c) prior to the making of any Interim Advance in the CCAA Proceedings, the Interim Lenders (or their respective counsel) shall have had a reasonable opportunity to review advance copies of, and shall be reasonably satisfied with, all material documents to be filed in respect of, as applicable:
 - (i) an initial order commencing the CCAA Proceedings (the "**Initial Order**");
 - (ii) the Charging Order;
 - (iii) an Amended and Restated Initial Order (the "**ARIO**");
 - (iv) an Order authorizing the Borrowers and the Monitor to conduct a Sale and Investment Solicitation Process (the "**SISP Order**"); and
 - (v) any other Order sought by the Borrowers in the CCAA Proceedings ("**Other CCAA Orders**");
 - (d) the Interim Lenders shall be satisfied, acting reasonably, with the form and content of the court orders made in the CCAA Proceedings applicable to the Borrowers (collectively, the "**Restructuring Court Orders**" and each a "**Restructuring Court Order**", which shall include but are not limited to the Initial Order, the Charging Order, the ARIO, the SISP Order and the Other CCAA Orders);
 - (e) all Interim Financing Fees and Expenses shall have been paid, or will be paid from the proceeds of the requested Interim Advance, as applicable; and
 - (f) the Charging Order and (for Interim Advances made after the commencement of the CCAA Proceedings) the Initial Order shall be in full force and effect and shall not have been reversed,

modified, amended or stayed in a manner adverse to the interests of the Interim Lenders.

12. Repayment:

The Interim Facility shall be repayable in full (including all accrued and unpaid interest thereon and all fees, costs and any other amounts due and payable in connection therewith) on the earlier of: (i) the occurrence of any Event of Default hereunder which is continuing and has not been cured or waived; (ii) the implementation of a plan of compromise or arrangement within the CCAA Proceedings (a "**Plan**") which has been approved by the requisite majorities of the Borrowers' creditors and by order entered by the Court; (iii) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the sale of all or substantially all of the Collateral; and (v) July 27, 2022 (the earliest of such dates being the "**Maturity Date**"). For greater certainty, all payments on account of principal and interest to be made by the Borrowers to the Interim Lenders in accordance with this Interim Financing Term Sheet shall be made to each Interim Lender, on a Pro Rata Basis, to such account as directed in writing by such Interim Lender to the Borrower from time to time.

The Commitment shall expire on the Maturity Date and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date, without the Interim Lenders being required to make demand upon the Borrowers or to give notice that the Interim Facility has expired and the obligations are due and payable. The order of the Court sanctioning any Plan shall not discharge or otherwise affect in any way any of the obligations of the Borrowers to the Interim Lenders under the Interim Facility, other than after the permanent and indefeasible payment in cash to the Interim Lenders of all obligations under the Interim Facility on or before the date the Plan is implemented.

13. Prepayment:

The Borrowers may prepay any amounts outstanding under the Interim Facility at any time prior to the Maturity Date, without any prepayment fee or penalty. In no event shall the Interim Lenders be obligated to accept any amount that would be contrary to any applicable law respecting interest to be charged. If the minimum interest is determined to be in excess of the maximum amount permitted by applicable law, then the minimum interest shall be reduced to the maximum amount that would be permitted by applicable law.

The Borrowers may borrow, repay and re-borrow Interim Advances, subject to the terms and conditions herein. Any amount repaid or prepaid under the Interim Facility shall be applied against amounts outstanding hereunder and in connection herewith by the Interim Lenders in their sole and absolute discretion.

14. Costs and Expenses:

The Borrowers shall pay all of the Interim Lenders' fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Interim Facility, the Interim Lenders' Charge, the other Interim Financing Credit

- Documentation and the CCAA Proceedings (collectively, the "**Interim Financing Fees and Expenses**").
15. **Documentation:** The Interim Financing Obligations shall be secured by the Interim Lenders' Charge.
- The Interim Lenders' Charge shall be in priority to all Liens pursuant to the Restructuring Court Orders, including but not limited to the Charging Order, the Initial Order and the ARIO, subordinate only to the Permitted Priority Liens.
16. **Proposed Monitor:** The monitor (the "**Monitor**") in the CCAA Proceedings shall be Alvarez & Marsal Canada. The Monitor shall be authorized to have direct discussions with the Interim Lenders, and the Interim Lenders shall be entitled to receive information from the Monitor as may be requested by the Interim Lenders from time to time.
17. **Events of Default:** The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") under this Interim Financing Term Sheet:
- (a) the failure of the Borrowers to pay any principal amount owing under this Interim Financing Term Sheet or any other Interim Financing Credit Documentation when due;
 - (b) the failure of the Borrowers to pay any interest or fees or any portion thereof owing under this Interim Financing Term Sheet or any other Interim Financing Credit Documentation when due;
 - (c) the issuance of an order of the Court (including any Restructuring Court Order) or any other court of competent jurisdiction:
 - (i) dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit (A) the enforcement of any Lien against any Borrower, or a material portion of its property, assets or undertaking, or (B) the appointment of a receiver and manager, receiver, interim-receiver or similar official or the making of a bankruptcy order against any Borrower;
 - (ii) granting any Lien which is senior to or *pari passu* with the Interim Lenders' Charge, other than the Permitted Priority Liens;
 - (iii) staying, reversing, vacating or otherwise modifying the Charging Order or the Initial Order or any Restructuring Court Order in a manner materially adverse to the interests of the Interim Lenders; or

- (iv) adversely impacting the rights and interests of the Interim Lenders in a material manner, without the prior written consent of the Interim Lenders;
- (d) the expiry without further extension of the stay of proceedings provided for initially in the Initial Order;
- (e) a Restructuring Court Order is made, a liability arises or an event occurs, including any change in the business, assets, or conditions (financial or otherwise), of any Borrower, that will materially further impair the Borrowers' financial condition or ability to comply with their obligations under this Interim Financing Term Sheet, any other Interim Financing Credit Documentation, or any Restructuring Court Order or carry out a Plan or Restructuring Option;
- (f) the Interim Lenders' Charge ceases to be a valid, perfected and enforceable superpriority Lien senior to all other Liens other than Permitted Priority Liens; or
- (g) the denial or repudiation by any Borrower of the legality, validity, binding nature or enforceability of this Interim Financing Term Sheet, any other Interim Financing Credit Documentation or the Interim Lenders' Charge.

18. **Remedies:**

Upon the occurrence of an Event of Default that is continuing, and subject to the Restructuring Court Orders, the Interim Lenders may elect to terminate the Commitments and declare the obligations in respect of the Interim Financing Credit Documentation to be immediately due and payable and cease making any further Interim Advances. Without limiting the foregoing remedies, upon the occurrence of an Event of Default that is continuing, the Interim Lenders may elect to permanently reduce the Maximum Amount. In addition, upon the occurrence of an Event of Default that is continuing, the Interim Lenders may, subject to any Restructuring Court Order:

- (a) apply to a court for the appointment of a receiver, interim receiver or a receiver and manager over any of the Collateral, or for a bankruptcy order against the Borrowers or any one of them and for the appointment of a trustee in bankruptcy of the Borrowers or any one of them;
- (b) set-off or consolidate any amounts then owing by the Interim Lenders to the Borrowers against the obligations of the Borrowers to the Interim Lenders (in their capacities as such) hereunder;
- (c) exercise its unqualified right to credit bid up to the full amount of the outstanding Interim Financing Obligations (including, for

certainty, all accrued interest) in any sale of the Collateral (or any part thereof);

- (d) subject to obtaining prior approval from the Court, exercise the powers and rights of a secured party under the *Personal Property Security Act* (British Columbia) or any legislation of similar effect; and
- (e) subject to obtaining prior approval from the Court, exercise all such other rights and remedies under the Interim Financing Credit Documentation, the Restructuring Court Orders and applicable law.

19. **Taxes:**

All payments by the Borrowers under this Interim Financing Term Sheet and the other Interim Financing Credit Documentation to the Interim Lenders, including any payments required to be made from and after the exercise of any remedies available to the Interim Lenders upon an Event of Default that is continuing, shall be made free and clear of and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision or any country (collectively "**Taxes**"); provided, however, that if any Taxes are required by applicable law to be withheld ("**Withholding Taxes**") from any amount payable to the Interim Lenders under any Interim Financing Credit Documentation, the amount so payable to the Interim Lenders shall be increased to the extent necessary to yield to the Interim Lenders on a net basis after payment of all Withholding Taxes the amount payable under such Interim Financing Credit Documentation at the rate or in the amount specified in such Interim Financing Credit Documentation.

20. **Amendments, Waivers, Etc.:**

No amendment of any provision of any Interim Financing Credit Documentation shall be effective unless agreed to by the applicable Borrower and the Interim Lenders and, in the case of any material amendment, the Monitor.

No waiver or delay on the part of the Interim Lenders in exercising any right or privilege hereunder or under any other Interim Financing Credit Documentation will operate as a waiver hereof or thereof unless made in writing by the Interim Lenders and delivered in accordance with the terms of this Interim Financing Term Sheet or the other applicable Interim Financing Credit Documentation and then such waiver shall be effective only in the specific instance and for the specific purpose given.

21. **Entire Agreement Conflict:**

This Interim Financing Term Sheet, including the schedules hereto and the Interim Financing Credit Documentation, constitute the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Interim Financing

- Term Sheet and any of the other Interim Financing Credit Documentation, this Interim Financing Term Sheet shall govern.
22. **Assignment:** Each Interim Lender may assign this Interim Financing Term Sheet and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights hereunder, with the prior consent of each other Interim Lender, acting reasonably. Neither this Interim Financing Term Sheet nor any right hereunder may be assigned by the Borrowers.
23. **Severability:** Any provision in this Interim Financing Term Sheet or any other Interim Financing Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
24. **No Third Party Beneficiary:** No Person, other than the Borrowers and each Interim Lender, is entitled to rely upon this Interim Financing Term Sheet and the parties expressly agree that this Interim Financing Term Sheet does not confer rights upon any party not a signatory hereto.
25. **Counterpart and Facsimile Signatures:** This Interim Financing Term Sheet may be executed in any number of counterparts and by facsimile or other electronic transmission (including .pdf), each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.
26. **Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by fax or electronic mail to the attention of the Person as set forth below:

In the case of the Interim Lenders, to:

Gatland Development Corporation
760 – 1040 West Georgia Street
Vancouver, BC V6E 4H1

Attention: Graham Thom
Telephone: (604) 638 1422
Email: graham@gatlandcapital.ca

South Street (Alderbridge) Limited Partnership
1600 - 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Sam Hanson / Brent Hanson
Telephone: (778) 838 0319
Email: samhanson@southstreet.ca / brenthanson@southstreet.ca

REV Investments Inc.
28235 Smith Avenue,
Abbotsford, BC V4X 1C7

Attention: Jason Ratzlaff
Telephone: (604) 856 3511
Email: jason@revinvest.ca

In the case of the Borrowers to:

Alderbridge Way Limited Partnership
c/o Gatland Capital Corporation
760 – 1040 West Georgia Street
Vancouver, BC V6E 4H1

Attention: Graham Thom
Telephone: (604) 638 1422
Email: graham@gatlandcapital.ca

With a copy to:

Dentons Canada LLP
2000 – 250 Howe Street
Vancouver, BC V6C 3R8

Attention: John Sandrelli
Email: john.sandrelli@dentons.com

In either case, with a copy to the Monitor:

Alvarez & Marsal Canada Inc.
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2

Attention: Pinky Law / Anthony Tillman
Email: pinky.law@alvarezandmarsal.com
atillman@alvarezandmarsal.com

Any such notice shall be deemed to be given and received when received, unless received after 5:00 pm Pacific Standard Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

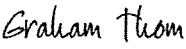
27. **Governing Law and Jurisdiction:**

This Interim Financing Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Without prejudice to the ability of the Interim Lenders to enforce this Interim Financing Term Sheet in any other proper jurisdiction, each Borrower irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of British Columbia, and further acknowledge and agree that any disputes arising in respect of the Interim Financing Credit Documentation shall be heard by the Court.

IN WITNESS HEREOF, the parties hereby execute this Interim Financing Term Sheet as at the date first above mentioned.


Borrower:

**ALDERBRIDGE WAY LIMITED
PARTNERSHIP, by its general partner,
ALDERBRIDGE WAY GP LTD.**

DocuSigned by:

Per: _____
27063514622A405...
Name: Graham Thom
Title: Director


Borrower:

ALDERBRIDGE WAY GP LTD.

DocuSigned by:

Per: _____
27063514622A405...
Name: Graham Thom
Title: Director

Borrower:

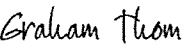
0989705 B.C. LTD.

DocuSigned by:

Per: _____
27063514622A405...
Name: Graham Thom
Title: Director

Commitment: \$340,000

Interim Lender:

**GATLAND DEVELOPMENT
CORPORATION**

DocuSigned by:

Per: _____
27063514622A405...
Name: Graham Thom
Title: President

Commitment: \$330,000

Interim Lender:

REV INVESTMENTS INC.

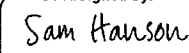
DocuSigned by:

 Per: _____
 Name: Jason Ratzlaff
 Title: Director

Commitment: \$330,000

Interim Lender:

**SOUTH STREET (ALDERBRIDGE)
 LIMITED PARTNERSHIP, by its general
 partner, SOUTH STREET
 (ALDERBRIDGE) GP LTD.**

DocuSigned by:

 Per: _____
 Name: Sam Hanson
 Title: Director

DocuSigned by:

 Per: _____
 Name: Brent Hanson
 Title: Director

SCHEDULE "A"**DEFINED TERMS**

"**Administration Charge**" means the administration charge on the Collateral of the Borrowers in an aggregate amount not to exceed \$300,000 and as provided for in the Charging Order and the Initial Order.

"**Borrower**" and "**Borrowers**" has the meaning given thereto in Section 1.

"**Borrower Account**" means such account of the Borrowers designated in writing by the Borrowers to the Interim Lenders from time to time.

"**Business Day**" means any day other than a Saturday, Sunday or any other day in which banks in Vancouver, British Columbia are not open for business.

"**CCAA**" has the meaning given thereto in the Recitals.

"**CCAA Proceedings**" has the meaning given thereto in the Recitals.

"**Charging Order**" has the meaning given thereto in Section 10(a).

"**Collateral**" means all now owned or hereafter acquired property and assets of the Borrowers, real and personal, tangible or intangible.

"**Commitment**" means (a) \$1,000,000, as such amount may be reduced from time to time in accordance with the terms of this Interim Financing Term Sheet or (b) with respect to a Interim Lender, the relevant amount designated as such opposite such Interim Lender's name on the signature pages hereto (or as assigned to it pursuant to Section 22) with respect to the Interim Facility.

"**Court**" has the meaning given thereto in the Recitals.

"**Default**" means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

"**D&O Charge**" means the directors' and officers' charge on the Collateral of the Borrowers in an aggregate amount not to exceed \$75,000, and as provided for in the Charging Order and the Initial Order.

"**Event of Default**" has the meaning given thereto in Section 17.

"**Funding Conditions**" has the meaning given thereto in Section 11.

"**Governmental Entity**" means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

"**Initial Order**" has the meaning given thereto in Section 11(c).

"**Interim Advance**" and "**Interim Advances**" has the meanings given thereto in Section 6.

"**Interim Advance Request**" has the meaning given thereto in Section 9.

"**Interim Facility**" has the meaning given thereto in Section 5.

"Interim Financing Credit Documentation" means this Interim Financing Term Sheet, any other documentation in respect of the Interim Facility that is requested by the Interim Lenders from time to time.

"Interim Financing Fees and Expenses" has the meaning given thereto in Section 14.

"Interim Financing Obligations" has the meaning given thereto in Section 10(a).

"Interim Lenders" and **"Interim Lender"** has the meaning given thereto in Section 2.

"Interim Lenders' Charge" has the meaning given thereto in Section 10(a).

"Liens" means all liens, hypothecs, charges, mortgages, trusts, deemed trusts (statutory or otherwise), encumbrances and security interests of every kind and nature whatsoever granted by the Borrowers or against the Collateral.

"Maturity Date" has the meaning given thereto in Section 12.

"Maximum Amount" has the meaning given thereto in Section 5.

"Monitor" has the meaning given thereto in Section 16.

"Permitted Liens" means (i) the Interim Lenders' Charge; (ii) any charges created under the Initial Order or other Restructuring Court Order in each case subsequent in priority to the Interim Lenders' Charge; (iii) validly perfected Liens existing prior to the date hereof (which for greater clarity rank subordinate to the Interim Lenders' Charge); (iv) inchoate statutory Liens arising after the date of the Initial Order in respect of any accounts payable arising after the date of the Initial Order in the ordinary course of business, subject to the obligation to pay all such amounts as and when due; and (v) Permitted Priority Liens.

"Permitted Priority Liens" means: (a) the Administration Charge in an amount not to exceed \$300,000; (b) statutory super-priority Liens for unpaid employee source deductions or liabilities related to GST/HST payment obligations; (c) the D&O Charge in an amount not to exceed \$75,000; (d) pre-CCAA liens registered against the Collateral to secure the amounts proven in CCAA to be owed by the Borrowers to Romspen Investment Corporation; and (d) such other Liens as may be agreed to in writing by the Interim Lenders.

"Person" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, unlimited liability company, trust, unincorporated association, joint venture, Governmental Entity or other entity of whatever nature.

"Plan" has the meaning given thereto in Section 12.

"Pro Rata Basis" has the meaning given thereto in Section 9.

"Restructuring Court Order" and **"Restructuring Court Order"** have the meanings given thereto in Section 11(d).

"Restructuring Option" means any transaction involving the refinancing of the Borrowers, the sale of all or substantially all of the assets of the Borrowers (or the equity interests of the Borrowers) or any other restructuring of the Borrowers' business and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of the Borrowers.

"SISP Order" has the meaning given thereto in Section 11(c).

"Taxes" has the meaning given thereto in Section 19.

"Withholding Taxes" has the meaning given thereto in Section 19.

SCHEDULE "B"
FORM OF INTERIM ADVANCE REQUEST

Date: _____

Gatland Development Corporation
760 – 1040 West Georgia Street
Vancouver, BC V6E 4H1

Attention: Graham Thom
Telephone: (604) 638 1422
Email: graham@gatlandcapital.ca

South Street (Alderbridge) Limited Partnership
1600 - 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Sam Hanson / Brent Hanson
Telephone: (778) 838 0319
Email: samhanson@southstreet.ca /
brenthanson@southstreet.ca

REV Investments Inc.
28235 Smith Avenue,
Abbotsford, BC V4X 1C7

Attention: Jason Ratzlaff
Telephone: (604) 856 3511
Email: jason@revinvest.ca

Dear Sirs:

We refer to the Interim Financing Term Sheet dated [●], 2022 among [●], each as a borrower and the lenders signatory thereto (as the same may be amended, renewed, extended, modified and/or restated from time to time, the "**Loan Agreement**"). Capitalized terms used herein have the same meaning as in the Loan Agreement. The undersigned is an officer of [●] and is authorized to make and deliver this notice on behalf of such Borrower pursuant to the Loan Agreement.

We hereby give notice of our request for a Interim Advance pursuant to Section 10 of the Loan Agreement, particulars of which are as follows:

- (a) Drawdown Date: _____
- (b) Amount: _____
- (c) Payment Instructions (if any): _____

Yours very truly,

[●], as Borrower

Per: _____

Name:

Title:

SCHEDULE "C"**INTERIM LENDERS' RESPECTIVE PRO RATA COMMITMENTS**

INTERIM LENDER	COMMITMENT
Gatland Development Corporation	\$340,000
REV Investments Inc.	\$330,000
South Street (Alderbridge) Limited Partnership	\$330,000

This is **Exhibit "S"** referred to in the Affidavit #1
of **Graham Thom** sworn before me at
Vancouver, British Columbia this 31 day of
March, 2022



A Commissioner for taking Affidavits
For British Columbia

Rachel Au

DENTONS CANADA LLP
Barristers & Solicitors
20th Floor, 250 Howe St.
Vancouver, B.C. V6C 3R8
Telephone (604) 687-4400

No. _____
Vancouver Registry**IN THE SUPREME COURT OF BRITISH COLUMBIA**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

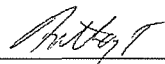
– AND –

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, C. 57, AS AMENDED

– AND –

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD., and ALDERBRIDGE WAY LIMITED
PARTNERSHIP

PETITIONERS

CONSENT TO ACTAlvarez & Marsal Canada Inc. consents to act as the Monitor of the Petitioner pursuant to the *Companies' Creditors Arrangement Act*.Dated at Vancouver, British Columbia, this 30th day of March, 2022.**ALVAREZ & MARSAL CANADA INC.**

Per: Anthony Tillman
Senior Vice President