

April 12, 2023

## Statement of Account

This is produced for information purposes only. It cannot be used to calculate or verify any prepayment or early termination. Errors and omissions excepted.

BORROWER: JRG CLOVERDALE HOLDINGS LTD.

Agreement #: 101015356015 – TERM LOAN

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
22-Sep-22	90,402.71	0.00	90,402.71	-13,754,475.84
22-Oct-22	92,136.15	0.00	92,136.15	-13,754,475.84
22-Nov-22	100,210.33	0.00	100,210.33	-13,754,475.84
22-Dec-22	100,426.52	0.00	100,426.52	-13,754,475.84
22-Jan-23	106,889.23	0.00	106,889.23	-13,754,475.84
22-Feb-23	110,091.34	0.00	110,091.34	-13,754,475.84
22-Mar-23	129,312.26	30,129.30	99,182.96	-13,724,346.54

Agreement #: 10101662947 – TERM LOAN

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
22-Mar-23	4,043.84	0.00	4,043.84	-1,500,000.00

April 12, 2023

## Statement of Account

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BORROWER: JOSEPH RICHARD INVESTMENTS LTD.

Agreement #: 101013568686 – EDC-BCAP LOAN (INTEREST ONLY)

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
01-Jul-21	18,180.82	0.00	18,180.82	-5,600,000.00
01-Aug-21	18,786.85	0.00	18,786.85	-5,600,000.00
01-Sep-21	18,786.85	0.00	18,786.85	-5,600,000.00
01-Oct-21	18,180.82	0.00	18,180.82	-5,600,000.00
01-Nov-21	18,786.85	0.00	18,786.85	-5,600,000.00
01-Dec-21	18,180.82	0.00	18,180.82	-5,600,000.00
01-Jan-22	18,786.85	0.00	18,786.85	-5,600,000.00
01-Feb-22	18,786.85	0.00	18,786.85	-5,600,000.00
01-Mar-22	16,968.77	0.00	16,968.77	-5,600,000.00
01-Apr-22	19,899.18	0.00	19,899.18	-5,600,000.00
01-May-22	20,635.62	0.00	20,635.62	-5,600,000.00
01-Jun-22	22,353.97	0.00	22,353.97	-5,600,000.00
01-Jul-22	23,857.53	0.00	23,857.53	-5,600,000.00
01-Aug-22	27,493.70	0.00	27,493.70	-5,600,000.00
01-Sep-22	29,488.22	0.00	29,488.22	-5,600,000.00
01-Oct-22	31,183.56	0.00	31,183.56	-5,600,000.00
01-Nov-22	33,438.90	0.00	33,438.90	-5,600,000.00
01-Dec-22	34,290.41	0.00	34,290.41	-5,600,000.00
01-Jan-23	37,274.52	0.00	37,274.52	-5,600,000.00
01-Feb-23	38,041.64	0.00	38,041.64	-5,600,000.00
01-Mar-23	35,345.95	0.00	35,345.95	-5,600,000.00
01-Apr-23	39,000.55	0.00	39,000.55	-5,600,000.00

Agreement #: 101015259419 – TERM LOAN

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
29-Aug-22	141,589.42	64,293.64	77,295.78	-11,755,127.65
29-Sep-22	141,589.42	59,641.69	81,947.73	-11,695,485.96
29-Oct-22	141,589.42	60,041.44	81,547.98	-11,635,444.52
29-Nov-22	141,589.42	52,573.88	89,015.54	-11,582,870.64
29-Dec-22	141,589.42	53,051.86	88,537.56	-11,529,818.78
29-Jan-23	141,589.42	48,813.86	92,775.56	-11,481,004.92
28-Feb-23	141,589.42	50,055.93	91,533.49	-11,430,948.99
29-Mar-23	141,589.42	53,492.82	88,096.60	-11,377,456.17

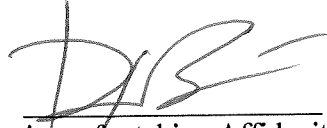
Agreement #: 101015836197 – PROJECT LOAN (INTEREST ONLY)

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
25-Dec-22	14,229.45	0.00	14,229.45	-1,875,000.00
25-Jan-23	15,048.80	0.00	15,048.80	-1,875,000.00
25-Feb-23	15,434.08	0.00	15,434.08	-1,875,000.00
25-Mar-23	13,952.05	0.00	13,952.05	-1,875,000.00

Agreement #: 101016448867 – PROJECT LOAN (INTEREST ONLY)

PAYMENT DATE	MONTHLY PAYMENT	PRINCIPAL	INTEREST	OUTSTANDING
24-Mar-23	2,678.79	0.00	2,678.79	-360,000.00

This is Exhibit "M" to the Affidavit #1 of  
André Joseph Bourque affirmed July 16, 2023  
before me at the City of Vancouver.

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

A Commissioner for taking Affidavits in and for  
the Province of British Columbia.



**Company Legal Name: JRG GLASS HOUSE ESTATE WINERY LTD.**

**Document Name: LF984 - Letter of Agreement**


**Customer Tracking ID: 325335606534900**

**Application ID: 200268185**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

# Letter of Agreement

**BMO**  **Bank of Montreal**

5711 - 176A STREET,  
SURREY, BC V3S 6S6

July 06, 2021

JRG GLASS HOUSE ESTATE WINERY LTD.  
5708 176 ST,  
SURREY, BRITISH COLUMBIA V3S 4C8

Attention: Ryan Moreno and Andre Bourque

## LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following new credit Facilities for **JRG GLASS HOUSE ESTATE WINERY LTD.** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

<b>Borrower:</b>	JRG GLASS HOUSE ESTATE WINERY LTD. <b>(the "Borrower")</b>
<b>Guarantor(s):</b>	MONKEY SEE TIKI BAR LTD. JRG LEDGEVIEW HOLDINGS LTD. JRG QUEENS LRS VENTURES LTD. BLANK CANVAS CATERING LTD. ANDRE BOURQUE RYAN MORENO  <b>(the "Guarantor(s)")</b>
<b>Total Facility Limit:</b>	The total approved amount of all facilities shall not exceed \$150,000.00 at any time.



## Your Product Summary

### Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Operating Demand Loan with Corporate MasterCard and Letter of Credit carve out	\$150,000.00	CAD

## Your Product Details

### Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - Existing	
Facility Authorization:	\$150,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	\$150,000.00 CAD
Type of Loan:	Operating Demand Loan with Corporate MasterCard and Letter of Credit carve out
Purpose:	For general operating requirements
Advance Options (each a "Loan" and collectively the "Loans")	<b>Additional Details</b>
Corporate Mastercard <sup>AO*</sup>	<p><b>Interest Rate:</b> As determined by Corporate MasterCard Agreement.</p> <p><b>Repayment Terms:</b> As determined by Corporate MasterCard Agreement.</p> <p><b>Terms &amp; Conditions:</b> As determined by Corporate MasterCard Agreement.</p> <p><small>AO* MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.</small></p>
Letters of Credit/ Guarantee	<p><b>Interest Rate:</b> To be determined</p> <p><b>Repayment Terms:</b> To be reduced and/or cancelled in normal course.</p> <p><b>Maximum Term:</b> 12 months from date of issue. Renewals as required.</p> <p><b>Drawdown Conditions:</b> The Borrower may request the issuance of Letters of Credit, in a form</p>



**Your Product Summary**

reasonably acceptable to BMO, at any time and from time to time. Each Letter of Credit shall expire at or prior to the close of business on the date that is one year after the date of the issuance of such a Letter of Credit.

**Commissions and Fees:** Advised based on specifics of request and Trade Finance client fee schedule.

**Terms & Conditions:** Per Indemnity Agreement.

**Operating Demand Loan**

**Interest Rate:** Prime Rate plus 1.50%. Interest is calculated monthly in arrears, and payable on the last day of each month. The Prime Rate in effect as of July 06, 2021 is 2.45%.

**Facility Fee:** \$85.00 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees.

**Repayment Terms:** Repayable on demand

**Other Costs:** BMO is not obliged to permit the Loan to exceed the Cap amount.

In the event the Loans exceed the Cap amount, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Cap amount or \$100, whichever is greater, and a \$5 overdraft handling charge per item that creates or increases the excess.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility or request to change the Cap amount of an Operating Demand Loan under this Facility.

The Borrower is permitted four account limit changes per month and a charge of \$150/ change will apply for additional limit changes.





## Terms and Conditions

### Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

### Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "Security") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

### Security to be Obtained:

1. Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower.
2. \$150,000.00 Joint & Several Personal guarantees from RYAN MORENO, ANDRE BOURQUE
3. \$150,000.00 Joint & Several Corporate guarantees from MONKEY SEE TIKI BAR LTD, JRG LEDGEVIEW HOLDINGS LTD, BLANK CANVAS CATERING LTD., JRG QUEENS LRS VENTURES LTD. supported by:

Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of MONKEY SEE TIKI BAR LTD, JRG LEDGEVIEW HOLDINGS LTD, BLANK CANVAS CATERING LTD., JRG QUEENS LRS VENTURES LTD.

4. Assignment of Moneys which may become payable under fire Insurance for property leased by Borrower.
5. Assignment Postponement and Subordination of Shareholder and Related Party Loans

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

### Covenants:

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

### Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor: N/A

### Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. N/A

### Reporting Requirements:

Annual	1) Minimum Notice to Reader Financial Statements of JRG Ledgeview Holdings Ltd., T2 and Notice of
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## Terms and Conditions

- Assessment within 120 days of Fiscal Year-End
- 2) Minimum Notice to Reader Financial Statements of JRG Queens LRS Ventures Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
  - 3) Minimum Notice to Reader Financial Statements of JRG Glass House Estate Winery Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
  - 4) Minimum Notice to Reader Financial Statements of Blank Canvas Catering Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
  - 5) Minimum Notice to Reader Financial Statements of Monkey See Tiki Bar Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
  - 6) Minimum Notice to Reader Financial Statements of The Phat Bird Public House Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
  - 7) Minimum external accountant prepared combined notice to reader financial statements for all entities above #1 to #6 within 120 days of Fiscal Year-End
  - 8) Updated Personal Net Worth Statements of Andre Bourque and Ryan Moreno, as reasonably requested by the Bank
  - 9) Any other information as requested by the Bank

A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

### Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

### Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

### Fees:



## Terms and Conditions

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$500.00 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$400.00. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

### Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

### Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

### Commercial Loan Insurance Plan:

**You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.**

### Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

### Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

### Schedules:

The following Schedules are attached to and form part of this letter of agreement:

Schedule A – Covenants

Schedule B – Representations and Warranties

Schedule C – Conditions Precedent to Advances

BMO's Legal Counsel: Guild Yule LLP



**Agreement and Consent**

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than July 31, 2021 If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,  
BANK OF MONTREAL

P.P. **Ignacio Arias**

Digitally signed by Ignacio Arias  
DN: cn=Ignacio Arias, o=BMO,  
ou=BMO,  
email=Ignacio.arias@bmo.com,  
c=CA  
Date: 2021.07.08 07:45:41 -07'00'

By: \_\_\_\_\_  
Name: HANI SBAITI  
Title: Relationship Manager

Accepted and agreed to this 20 day of July, 2021  
(Day) (Month) (Year)

**BORROWER(S)**

JRG GLASS HOUSE ESTATE WINERY LTD.

Signature: [Handwritten Signature]

Name: Ryan Moreno

Title: Director

**GUARANTOR(S)**

MONKEY SEE TIKI BAR LTD.

Signature: [Handwritten Signature]

Name: Ryan Moreno

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Agreement and Consent**

**JRG LEDGEVIEW HOLDINGS LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**JRG QUEENS LRS VENTURES LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**BLANK CANVAS CATERING LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ANDRE BOURQUE**

Signature: [Signature]

Name: Andre Bourque

Witness Signature: [Signature]

Witness Name: \_\_\_\_\_

**RYAN MORENO**

Signature: \_\_\_\_\_

Name: Ryan Moreno

**B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Signature: \_\_\_\_\_

Witness Name: \_\_\_\_\_



**Agreement and Consent**

**JRG LEDGEVIEW HOLDINGS LTD.**

Signature: [Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**JRG QUEENS LRS VENTURES LTD.**

Signature: [Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**BLANK CANVAS CATERING LTD.**

Signature: [Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**ANDRE BOURQUE**

Signature: [Signature]

Name: Andre Bourque

Witness Signature: [Signature]  
B. Sunny Aujla  
Barrister & Solicitor

Witness Name: **HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

**RYAN MORENO**

Signature: [Signature]

Name: Ryan Moreno

Witness Signature: [Signature]

Witness Name: **B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3



SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.



SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.





SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.



SCHEDULE D

DEFINITIONS

**"Advance"** means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

**"Approvals"** means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

**"Credit Parties"** means, collectively, the Borrower(s) and the Guarantor(s).

**"Default"** means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

**"Documentation"** means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

**"including"** means including but without limitation.

**"Laws"** means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

**"Litigation"** means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

**"Material Contracts"** means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

**"Material Adverse Effect"** means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

**"Obligations"** means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).



## Schedules

**"Prime Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

**"Taxes"** means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

**"US Base Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.





**Company Legal Name: JRG GLASS HOUSE ESTATE WINERY LTD.**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 325335606534900**

**Application ID: 200261475**

**Transaction ID: 301038287**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

## Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with JRG GLASS HOUSE ESTATE WINERY LTD. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including Interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of One hundred fifty thousand and 00/100 Dollars \$150,000.00 plus Interest thereon at a rate of 5.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

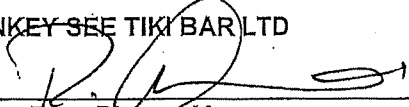
IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.


This clause  
applies to  
the Province  
of Québec  
only

Dated this 20 day of July, 2021.

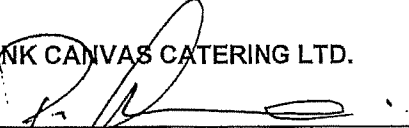
**MONKEY SEE TIKI BAR LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory


**JRG LEDGEVIEW HOLDINGS LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**BLANK CANVAS CATERING LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**JRG QUEENS LRS VENTURES LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

® Registered trade-marks of Bank of Montreal



**Company Legal Name: JRG GLASS HOUSE ESTATE WINERY LTD.**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 325335606534900**

**Application ID: 200261475**

**Transaction ID: 301038287**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**



## Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with JRG GLASS HOUSE ESTATE WINERY LTD. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of One hundred fifty thousand and 00/100 Dollars \$150,000.00 plus interest thereon at a rate of 3.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause applies to the Province of Québec only

Dated this 20 day of July, 2021.



Name: Ryan Richard Moreno

Witness: \_\_\_\_\_

Name: \_\_\_\_\_



Name: Andre Joseph Bourque

Witness: \_\_\_\_\_

Name: \_\_\_\_\_

® Registered trade-marks of Bank of Montreal



**Company Legal Name: JRG LEDGEVIEW HOLDINGS LTD.**

**Document Name: LF984 - Letter of Agreement**

**Customer Tracking ID: 926131810895200**

**Application ID: 200268173**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

# Letter of Agreement



5711 - 176A STREET,  
SURREY, BC V3S 6S6

July 06, 2021

JRG LEDGEVIEW HOLDINGS LTD.  
5708 176 ST,  
SURREY, BRITISH COLUMBIA V3S 4C8

Attention: Ryan Moreno and Andre Bourque

## LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following new credit Facilities for **JRG LEDGEVIEW HOLDINGS LTD.** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

<b>Borrower:</b>	JRG LEDGEVIEW HOLDINGS LTD. <b>(the "Borrower")</b>
<b>Guarantor(s):</b>	JRG QUEENS LRS VENTURES LTD. JRG GLASS HOUSE ESTATE WINERY LTD. MONKEY SEE TIKI BAR LTD. BLANK CANVAS CATERING LTD. ANDRE BOURQUE RYAN MORENO <b>(the "Guarantor(s)")</b>
<b>Total Facility Limit:</b>	The total approved amount of all facilities shall not exceed \$750,000.00 at any time.



## Your Product Summary

### Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Fixed Rate Term Loan &/or Demand Loan Non-Revolving	\$750,000.00	CAD

## Your Product Details

### Non-Revolving Facility - Shared limit/Multi-product/Multi-draw

#### Facility # 1 - Existing

<b>Facility Authorization:</b>	\$750,000.00 CAD
<b>Current Advanced Amount:</b>	\$0.00 CAD
<b>Available Amount:</b>	\$750,000.00 CAD
<b>Type of Loan:</b>	Fixed Rate Term Loan &/or Demand Loan Non-Revolving
<b>Purpose:</b>	To assist in tenant improvement expenditures
<b>Draw Conditions:</b>	Draw Conditions: Initial 50% (\$375,000.00) funded upfront without drawdown conditions Subsequent draws per site subject to: (1) invoice submission from contractor (2) contractor to provide bank with report indicating: (i) cost in place (ii) cost to complete (3) cost overruns are to the account of the borrower. The bank is not required to continue funding until cost overrun is covered by borrower. Funding will be net of applicable taxes
<b>Maximum Amortization:</b>	84 months - first 6 months from initial draw date will be interest only; outstanding balance to be amortized over remaining 78 months
<b>Advance Options</b> (each a "Loan" and collectively the "Loans")	<b>Additional Details</b>
<b>Demand Loan Non Revolving</b>	<p><b>Interest Rate:</b> Prime Rate plus 1.50%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of July 06, 2021 is 2.45%.</p> <p><b>Repayment Terms:</b> Repayable on demand, provided that until demand is made by BMO:</p> <p>Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount,</p>



**Your Product Summary**

	<p>amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.</p> <p>Prepayments of principal in whole or in part are permitted, without penalty</p>
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<p><b>Fixed Rate Term Loan</b></p>	<p><b>Type of Loan:</b> Prepayment Option Term Loan</p> <p><b>Interest Rate:</b> To be determined at time of Advance.</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p><b>Repayment Terms:</b> Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p><b>Prepayment Terms:</b> <i>Prepayment Option Term Loan Only</i></p> <p>When not in Default, the Borrower may prepay an amount of principal up to 10% of the original loan amount once every calendar year without prior notice. These prepayment privileges are not cumulative.</p> <p><b>Maximum Term:</b> 5 years</p> <p><b>Maturity Date:</b> The last day of the month determined based on the term selected and the date of Advance.</p>
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The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.



**Terms and Conditions**

**Conditions Precedent to Advances:**

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

**Conditions Precedent to be Obtained:**

1. Evidence of repayment of all indebtedness not otherwise permitted under this Agreement, as applicable.
2. Receipt of all notices, certificates, directions, forms or other Documentation required in connection with an Advance.

**Security:**

Each of the following documents, instruments, agreements and other assurances (collectively, the "Security") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

**Security to be Obtained:**

1. Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower.
2. \$750,000.00 Joint and Several Corporate guarantees from BLANK CANVAS CATERING LTD., JRG GLASS HOUSE ESTATE WINERY LTD., MONKEY SEE TIKI BAR LTD, JRG QUEENS LRS VENTURES LTD. supported by:  
Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of BLANK CANVAS CATERING LTD., JRG GLASS HOUSE ESTATE WINERY LTD., MONKEY SEE TIKI BAR LTD, JRG QUEENS LRS VENTURES LTD.
3. \$750,000.00 Joint and Several Personal guarantees from RYAN MORENO, ANDRE BOURQUE.
4. Assignment of Moneys which may become payable under fire Insurance for property leased by Borrower.
5. Assignment Postponement and Subordination of Shareholder and Related Party Loans.

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

**Covenants:**

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

**Financial Covenants:**

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor: N/A

**Additional Covenants:**

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. N/A

**Reporting Requirements:**

Annual	1) Minimum Notice to Reader Financial Statements of JRG Ledgeview Holdings Ltd., T2 and Notice of
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**Terms and Conditions**

- Assessment within 120 days of Fiscal Year-End
- 2) Minimum Notice to Reader Financial Statements of JRG Queens LRS Ventures Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 3) Minimum Notice to Reader Financial Statements of JRG Glass House Estate Winery Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 4) Minimum Notice to Reader Financial Statements of Blank Canvas Catering Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 5) Minimum Notice to Reader Financial Statements of Monkey See Tiki Bar Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 6) Minimum Notice to Reader Financial Statements of The Phat Bird Public House Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 7) Minimum external accountant prepared combined notice to reader financial statements for all entities above #1 to #6 within 120 days of Fiscal Year-End
- 8) Updated Personal Net Worth Statements of Andre Bourque and Ryan Moreno, as reasonably requested by the Bank
- 9) Any other information as requested by the Bank

A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

**Representations and Warranties:**

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

**Noteless Advances:**

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

**Fees:**



## Terms and Conditions

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$2,000.00 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$400.00. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

### Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

### Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

### Commercial Loan Insurance Plan:

**You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.**

### Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

### Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

### Schedules:

The following Schedules are attached to and form part of this letter of agreement:

Schedule A – Covenants

Schedule B – Representations and Warranties

Schedule C – Conditions Precedent to Advances

BMO's Legal Counsel: Guild Yule LLP



**Agreement and Consent**

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than July 31, 2021 If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,  
BANK OF MONTREAL

P.P. **Ignacio  
Arias**  
By: \_\_\_\_\_  
Name: HANI SBAITI  
Title: Relationship Manager

Digitally signed by Ignacio Arias  
DN: cn=Ignacio Arias, o=BMO,  
ou=BMO,  
email=Ignacio.arias@bmo.com,  
c=CA  
Date: 2021.07.08 07:57:16 -07'00'

Accepted and agreed to this 20 day of July, 2020  
(Day) (Month) (Year)

**BORROWER(S)**

JRG LEDGEVIEW HOLDINGS LTD.

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**GUARANTOR(S)**

JRG QUEENS LRS VENTURES LTD.

Signature: [Signature]

Name: Ryan Moreno

Title: Director

Signature: \_\_\_\_\_


Name: \_\_\_\_\_

Title: \_\_\_\_\_



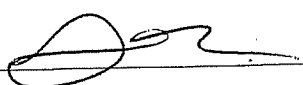
**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature:   
Name: Andre Bourque  
Title: Director

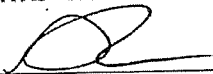
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**MONKEY SEE TIKI BAR LTD.**

Signature:   
Name: Andre Bourque  
Title: Director

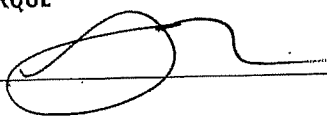
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BLANK CANVAS CATERING LTD.**

Signature:   
Name: Andre Bourque  
Title: Director

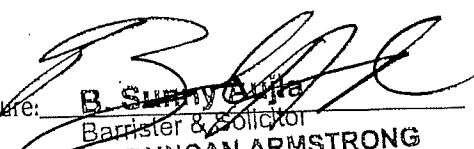
Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ANDRE BOURQUE**

Signature:   
Name: Andre Bourque

**RYAN MORENO**

Signature: \_\_\_\_\_  
Name: Ryan Moreno

Witness Signature:   
Witness Name: B. Sunny Anja  
Barrister & Solicitor  
HAMILTON DUNCAN ARMSTRONG  
STEWART LAW CORPORATION  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Signature: \_\_\_\_\_  
Witness Name: \_\_\_\_\_



**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: 0

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**MONKEY SEE TIKI BAR LTD.**

Signature: [Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**BLANK CANVAS CATERING LTD.**

Signature: [Signature]

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**ANDRE BOURQUE**

Signature: [Signature]

Name: Andre Bourque

**RYAN MORENO**

Signature: [Signature]

Name: Ryan Moreno

Witness Signature: [Signature]

Witness Name: B. Sunny Aujla

**HAMILTON DUNCAN ARMSTRONG**

**+ STEWART LAW CORPORATION**

#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Signature: [Signature]

Witness Name: B. Sunny Aujla

**B. Sunny Aujla**

**Barrister & Solicitor**

**HAMILTON DUNCAN ARMSTRONG**

**+ STEWART LAW CORPORATION**

#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3



### SCHEDULE A

#### COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.



SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.



SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all Insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.





**Schedules**

SCHEDULE D

DEFINITIONS

**"Advance"** means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

**"Approvals"** means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

**"Credit Parties"** means, collectively, the Borrower(s) and the Guarantor(s).

**"Default"** means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

**"Documentation"** means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

**"including"** means including but without limitation.

**"Laws"** means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

**"Litigation"** means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

**"Material Contracts"** means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

**"Material Adverse Effect"** means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

**"Obligations"** means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).



**Schedules**

**"Prime Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

**"Taxes"** means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

**"US Base Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.





**Company Legal Name: JRG LEDGEVIEW HOLDINGS LTD**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 926131810895200**

**Application ID: 200261577**

**Transaction ID: 301038241**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

### Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with JRG LEDGEVIEW HOLDINGS LTD (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of Seven hundred fifty thousand and 00/100 Dollars \$750,000.00 plus interest thereon at a rate of 5.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee in respect of debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).


IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause  
applies to  
the Province  
of Québec  
only


It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

Dated this 20 day of July, 2021.

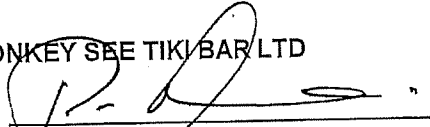
**BLANK CANVAS CATERING LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

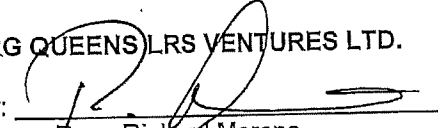
**JRG GLASS HOUSE ESTATE WINERY LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**MONKEY SEE TIKI BAR LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**JRG QUEENS LRS VENTURES LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

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**Company Legal Name: JRG LEDGEVIEW HOLDINGS LTD**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 926131810895200**

**Application ID: 200261577**

**Transaction ID: 301038241**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

### Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with JRG LEDGEVIEW HOLDINGS LTD (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of Seven hundred fifty thousand and 00/100 Dollars \$750,000.00 plus interest thereon at a rate of 3.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this



Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

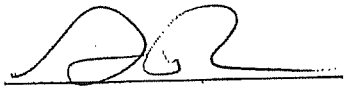
This clause  
applies to  
the Province  
of Québec  
only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

Dated this 20 day of July, 2021.



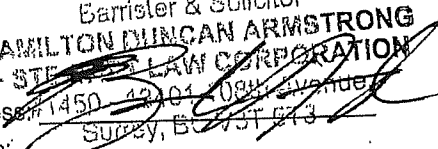
Name: Ryan Richard Moreno



Name: Andre Joseph Bourque

Witness: 

Name: B. Sunny Aujla  
Barrister & Solicitor

**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
Witness:   
Name: #1450 - 13401 108th Avenue  
Surrey, BC V3T 5T3

® Registered trade-marks of Bank of Montreal

**B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3



**Company Legal Name: MONKEY SEE TIKI BAR LTD.**

**Document Name: LF984 - Letter of Agreement**


**Customer Tracking ID: 626131809864700**

**Application ID: 200268178**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

# Letter of Agreement

**BMO**  **Bank of Montreal**

5711 - 176A STREET,  
SURREY, BC V3S 6S6

July 06, 2021

MONKEY SEE TIKI BAR LTD.  
5708 176 ST,  
SURREY, BRITISH COLUMBIA V3S 4C8

Attention: Ryan Moreno and Andre Bourque

## LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following newcredit Facilities for **MONKEY SEE TIKI BAR LTD.** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

<b>Borrower:</b>	MONKEY SEE TIKI BAR LTD. <b>(the "Borrower")</b>
<b>Guarantor(s):</b>	JRG LEDGEVIEW HOLDINGS LTD. JRG GLASS HOUSE ESTATE WINERY LTD. JRG QUEENS LRS VENTURES LTD. BLANK CANVAS CATERING LTD. ANDRE BOURQUE RYAN MORENO  <b>(the "Guarantor(s)")</b>
<b>Total Facility Limit:</b>	The total approved amount of all facilities shall not exceed \$350,000.00 at any time.



## Your Product Summary

### Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Fixed Rate Term Loan &/or Demand Loan Non-Revolving	\$350,000.00	CAD

## Your Product Details

### Non-Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - Existing	
Facility Authorization:	\$350,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	\$350,000.00 CAD
Type of Loan:	Fixed Rate Term Loan &/or Demand Loan Non-Revolving
Purpose:	To assist in tenant improvement expenditures
Draw Conditions:	Draw Conditions: Initial 50% (\$175,000.00) funded upfront without drawdown conditions Subsequent draws per site subject to: (1) invoice submission from contractor (2) contractor to provide bank with report indicating: (i) cost in place (ii) cost to complete (3) cost overruns are to the account of the borrower. The bank is not required to continue funding until cost overrun is covered by borrower. Funding will be net of applicable taxes
Maximum Amortization:	84 months - first 6 months from initial draw will be interest only; outstanding balance to be amortized over remaining 78 months
Advance Options (each a "Loan" and collectively the "Loans")	<b>Additional Details</b>
Demand Loan Non Revolving	<p><b>Interest Rate:</b> Prime Rate plus 1.50%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of July 06, 2021 is 2.45%.</p> <p><b>Repayment Terms:</b> Repayable on demand, provided that until demand is made by BMO:</p> <p>Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount,</p>



## Your Product Summary

	<p>amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.</p> <p>Prepayments of principal in whole or in part are permitted, without penalty</p>
<b>Fixed Rate Term Loan</b>	<p><b>Type of Loan:</b> Prepayment Option Term Loan</p> <p><b>Interest Rate:</b> To be determined at time of Advance.</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p><b>Repayment Terms:</b> Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p><b>Prepayment Terms:</b> <i>Prepayment Option Term Loan Only</i></p> <p>When not in Default, the Borrower may prepay an amount of principal up to 10% of the original loan amount once every calendar year without prior notice. These prepayment privileges are not cumulative.</p> <p><b>Maximum Term:</b> 5 years</p> <p><b>Maturity Date:</b> The last day of the month determined based on the term selected and the date of Advance.</p>
<p>The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.</p> <p>Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.</p> <p>The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.</p>	



## Terms and Conditions

### Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

### Conditions Precedent to be Obtained:

1. Evidence of repayment of all indebtedness not otherwise permitted under this Agreement, as applicable.
2. Receipt of all notices, certificates, directions, forms or other Documentation required in connection with an Advance.

### Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "Security") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

### Security to be Obtained:

1. Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower.
2. \$350,000.00 Joint & Several Personal guarantees from RYAN MORENO, ANDRE BOURQUE
3. \$350,000.00 Joint & Several Corporate guarantees from BLANK CANVAS CATERING LTD., JRG GLASS HOUSE ESTATE WINERY LTD., JRG QUEENS LRS VENTURES LTD., JRG LEDGEVIEW HOLDINGS LTD supported by:  
Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of BLANK CANVAS CATERING LTD., JRG GLASS HOUSE ESTATE WINERY LTD., JRG QUEENS LRS VENTURES LTD., JRG LEDGEVIEW HOLDINGS LTD.
4. Assignment of Moneys which may become payable under fire Insurance for property leased by Borrower.
5. Assignment Postponement and Subordination of Shareholder and Related Party Loans

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

### Covenants:

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

### Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor: N/A

### Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. N/A

### Reporting Requirements:



## Terms and Conditions

### Annual

- 1) Minimum Notice to Reader Financial Statements of JRG Ledgeview Holdings Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 2) Minimum Notice to Reader Financial Statements of JRG Queens LRS Ventures Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 3) Minimum Notice to Reader Financial Statements of JRG Glass House Estate Winery Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 4) Minimum Notice to Reader Financial Statements of Blank Canvas Catering Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 5) Minimum Notice to Reader Financial Statements of Monkey See Tiki Bar Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 6) Minimum Notice to Reader Financial Statements of The Phat Bird Public House Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End
- 7) Minimum external accountant prepared combined Notice to Reader financial statements for all entities above #1 to #6 within 120 days of Fiscal Year-End
- 8) Updated Personal Net Worth Statements of Andre Bourque and Ryan Moreno, as reasonably requested by the Bank
- 9) Any other information as requested by the Bank

A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

### Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

### Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect





## Terms and Conditions

thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

### Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$1,000.00 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$400.00. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

### Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

### Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

### Commercial Loan Insurance Plan:

**You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.**

### Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

### Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

### Schedules:

The following Schedules are attached to and form part of this letter of agreement:

Schedule A - Covenants

Schedule B - Representations and Warranties

Schedule C - Conditions Precedent to Advances

BMO's Legal Counsel: Guild Yule LLP



**Agreement and Consent**

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than July 31, 2021. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,  
BANK OF MONTREAL

P.P. Ignacio Arias

Digitally signed by Ignacio Arias  
DN: cn=Ignacio Arias, o=BMO,  
ou=BMO,  
email=ignacio.arias@bmo.com, c=CA  
Date: 2021.07.08 07:59:20 -07'00'

By: \_\_\_\_\_  
Name: HANI SBAITI  
Title: Relationship Manager

Accepted and agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_  
(Day) (Month) (Year)

**BORROWER(S)**

MONKEY SEE TIKI BAR LTD.

Signature: \_\_\_\_\_

Name: Ryan Moreno

Title: DIRECTOR

**GUARANTOR(S)**

JRG LEDGEVIEW HOLDINGS LTD.

Signature: \_\_\_\_\_

Name: Ryan Moreno

Title: DIRECTOR

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**JRG QUEENS LRS VENTURES LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**BLANK CANVAS CATERING LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ANDRE BOURQUE**

Signature: [Signature]

Name: Andre Bourque

Witness Signature: [Signature]

Witness Name: **B. Sunny Aujla**  
Barrister & Solicitor

**RYAN MORENO**

Signature: \_\_\_\_\_

Name: Ryan Moreno

**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Name: \_\_\_\_\_



**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Ryan moreno

Title: Director

**JRG QUEENS LRS VENTURES LTD.**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Ryan moreno

Title: Director

**BLANK CANVAS CATERING LTD.**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: Ryan moreno

Title: Director

**ANDRE BOURQUE**

Signature: \_\_\_\_\_

Name: Andre Bourque

Witness Signature: \_\_\_\_\_

Witness Name: **B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

**RYAN MORENO**

Signature: \_\_\_\_\_

Name: Ryan Moreno

Witness Signature: \_\_\_\_\_

Witness Name: **B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3



SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.



SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.



SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.



SCHEDULE D

DEFINITIONS

**"Advance"** means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

**"Approvals"** means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

**"Credit Parties"** means, collectively, the Borrower(s) and the Guarantor(s).

**"Default"** means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

**"Documentation"** means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

**"including"** means including but without limitation.

**"Laws"** means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

**"Litigation"** means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

**"Material Contracts"** means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof; as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

**"Material Adverse Effect"** means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

**"Obligations"** means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).





## Schedules

**"Prime Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

**"Taxes"** means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

**"US Base Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.





**Company Legal Name: MONKEY SEE TIKI BAR LTD**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 626131809864700**

**Application ID: 200261579**

**Transaction ID: 301038235**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

### Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **MONKEY SEE TIKI BAR LTD** (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of Three hundred fifty thousand and 00/100 Dollars \$350,000.00 plus interest thereon at a rate of 5.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).


IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.


This clause  
applies to  
the Province  
of Québec  
only

Dated this 20 day of July, 2021.


**BLANK CANVAS CATERING LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory


**JRG GLASS HOUSE ESTATE WINERY LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**JRG QUEENS LRS VENTURES LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**JRG LEDGEVIEW HOLDINGS LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

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**Company Legal Name: MONKEY SEE TIKI BAR LTD.**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 626131809864700**

**Application ID: 200261579**

**Transaction ID: 301038235**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

## Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with MONKEY SEE TIKI BAR LTD (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of Three hundred fifty thousand and 00/100 Dollars \$350,000.00 plus interest thereon at a rate of 3.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or settling up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).


IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

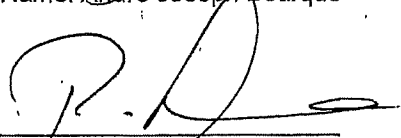
It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause applies to the Province of Québec only

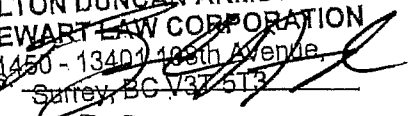


Dated this 20 day of July, 2021.

  
Name: Andre Joseph Bourque

  
Name: Ryan Richard Moreno

Witness:   
Name: B. Sunny Aujla  
Barrister & Solicitor

**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3  
Witness:   
Name: B. Sunny Aujla  
Barrister & Solicitor

**HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

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**Company Legal Name: JRG QUEENS LRS VENTURES LTD.**

**Document Name: LF984 - Letter of Agreement**

**Customer Tracking ID: 125335600819400**

**Application ID: 200268164**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

# Letter of Agreement



5711 - 176A STREET,  
SURREY, BC V3S 6S6

July 06, 2021

JRG QUEENS LRS VENTURES LTD.  
5708 176 ST,  
SURREY, BRITISH COLUMBIA V3S 4C8

Attention: Ryan Moreno and Andre Bourque

## LETTER OF AGREEMENT

Bank of Montreal ("**BMO**") is pleased to advise that it has authorized the following new credit Facilities for **JRG QUEENS LRS VENTURES LTD.** (each, a "**Facility**" and collectively, the "**Facilities**") on the terms and conditions outlined in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

<b>Borrower:</b>	JRG QUEENS LRS VENTURES LTD. <b>(the "Borrower")</b>
<b>Guarantor(s):</b>	BLANK CANVAS CATERING LTD. JRG GLASS HOUSE ESTATE WINERY LTD. MONKEY SEE TIKI BAR LTD. JRG LEDGEVIEW HOLDINGS LTD. RYAN MORENO ANDRE BOURQUE <b>(the "Guarantor(s)")</b>
<b>Total Facility Limit:</b>	The total approved amount of all facilities shall not exceed \$1,700,000.00 at any time.



## Your Product Summary

### Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Fixed Rate Term Loan &/or Demand Loan Non-Revolving	\$1,500,000.00	CAD
2	Revolving Facility – Operating Demand Loan with Letter of Credit and Corporate MasterCard carve outs	\$200,000.00	CAD

## Your Product Details

### Non-Revolving Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - New	
Facility Authorization:	\$1,500,000.00 CAD
Current Advanced Amount:	\$0.00 CAD
Available Amount:	\$1,500,000.00 CAD
Type of Loan:	Fixed Rate Term Loan &/or Demand Loan Non-Revolving
Purpose:	To assist in tenant improvement expenditures
Draw Conditions:	Draw Conditions: Initial 50% funded upfront without drawdown conditions Subsequent draws per site subject to: (1) invoice submission from contractor (2) contractor to provide bank with report indicating: (i) cost in place (ii) cost to complete (3) cost overruns are to the account of the borrower. The bank is not required to continue funding until cost overrun is covered by borrower. Funding will be net of applicable taxes. the draw controls apply to tenant improvements for The Phat Bird Public House Ltd
Maximum Amortization:	84 months – first 6 months from initial draw will be interest only; outstanding balance to be amortized over remaining 78 months
Advance Options (each a "Loan" and collectively the "Loans")	Additional Details
Demand Loan Non Revolving	<p><b>Interest Rate:</b> Prime Rate plus 1.50%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of July 06, 2021 is 2.45%.</p> <p><b>Repayment Terms:</b> Repayable on demand, provided that until demand is made by BMO:</p>



**Your Product Summary**

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

Prepayments of principal in whole or in part are permitted, without penalty

**Fixed Rate Term Loan**

**Type of Loan:** Prepayment Option Term Loan

**Interest Rate:** To be determined at time of Advance.

Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

**Repayment Terms:** Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance.

The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.

**Prepayment Terms:** *Prepayment Option Term Loan Only*

When not in Default, the Borrower may prepay an amount of principal up to 10% of the original loan amount once every calendar year without prior notice. These prepayment privileges are not cumulative.

**Maximum Term:** 5 years

**Maturity Date:** The last day of the month determined based on the term selected and the date of Advance.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.



**Your Product Summary**

**Revolving Facility - Shared limit/Multi-product/Multi-draw**

Facility # 2 - Existing	
<b>Facility Authorization:</b>	\$200,000.00 CAD
<b>Current Advanced Amount:</b>	\$0.00 CAD
<b>Available Amount:</b>	\$200,000.00 CAD
<b>Type of Loan:</b>	Operating Demand Loan with Corporate MasterCard and Letter of Credit carve outs
<b>Purpose:</b>	For general operating requirements
<b>Advance Options</b> (each a "Loan" and collectively the "Loans")	<b>Additional Details</b>
<b>Corporate Mastercard<sup>Â®*</sup></b>	<p><b>Interest Rate:</b> As determined by Corporate MasterCard Agreement.</p> <p><b>Repayment Terms:</b> As determined by Corporate MasterCard Agreement.</p> <p><b>Terms &amp; Conditions:</b> As determined by Corporate MasterCard Agreement.</p> <p><small>Â®* MasterCard is a registered trademark of MasterCard International Incorporated. Used under license.</small></p>
<b>Letters of Credit/ Guarantee</b>	<p><b>Interest Rate:</b> To be advised</p> <p><b>Repayment Terms:</b> To be reduced and/or cancelled in normal course.</p> <p><b>Maximum Term:</b> 12 months from date of issue. Renewals as required.</p> <p><b>Drawdown Conditions:</b> The Borrower may request the issuance of Letters of Credit, in a form reasonably acceptable to BMO, at any time and from time to time. Each Letter of Credit shall expire at or prior to the close of business on the date that is one year after the date of the issuance of such a Letter of Credit.</p> <p><b>Commissions and Fees:</b> Advised based on specifics of request and Trade Finance client fee schedule.</p> <p><b>Terms &amp; Conditions:</b> Per Indemnity Agreement.</p>



## Your Product Summary

	<p><b>Other:</b></p>
<p><b>Operating Demand Loan</b></p>	<p><b>Interest Rate:</b> Prime Rate plus 1.5%. Interest is calculated monthly in arrears, and payable on the last day of each month. The Prime Rate in effect as of July 06, 2021 is 2.45%.</p> <p><b>Facility Fee:</b> \$100.00 per month. This is the fee for the loan and does not include other account fees. Refer to our Better Banking Guide for other applicable fees.</p> <p><b>Repayment Terms:</b> Repayable on demand</p> <p><b>Other Costs:</b> BMO is not obliged to permit the Loan to exceed the Cap amount.</p> <p>In the event the Loans exceed the Cap amount, the excess will bear interest at the Overdraft Rate, which is currently 21% per annum. BMO shall also be entitled to charge the Borrower a fee of 1% calculated on the amount of excess over the Cap amount or \$100, whichever is greater and a \$5 overdraft handling charge per item that creates or increases the excess.</p>
<p>The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.</p> <p>Each Loan under this Facility shall be a separate Loan.</p> <p>The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility or request to change the Cap amount of an Operating Demand Loan under this Facility.</p> <p>The Borrower is permitted four account limit changes per month and a charge of \$150/ change will apply for additional limit changes.</p>	



## Terms and Conditions

### Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

### Conditions Precedent to be Obtained:

1. Evidence of repayment of all indebtedness not otherwise permitted under this Agreement, as applicable.
2. Receipt of all notices, certificates, directions, forms or other Documentation required in connection with an Advance.

### Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "Security") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

### Security to be Obtained:

1. Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower. GSA registration to explicitly include Liquor License as owned by Borrower
2. \$1,700,000.00 Joint and Several Personal guarantee from RYAN MORENO, ANDRE BOURQUE
3. \$1,700,000.00 Joint and Several Corporate guarantees from, JRG GLASS HOUSE ESTATE WINERY LTD., BLANK CANVAS CATERING LTD., MONKEY SEE TIKI BAR LTD, JRG LEDGEVIEW HOLDINGS LTD ALL supported by:

Registered in First Position General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of JRG GLASS HOUSE ESTATE WINERY LTD., BLANK CANVAS CATERING LTD., MONKEY SEE TIKI BAR LTD, JRG LEDGEVIEW HOLDINGS LTD

4. Assignment of Moneys which may become payable under fire Insurance for property leased by Borrower.
5. Assignment Postponement and Subordination of Shareholder and Related Party Loans

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

### Covenants:

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

### Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor: N/A

### Additional Covenants:





## Terms and Conditions

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. N/A

### Reporting Requirements:

<b>Annual</b>	<p>1) Minimum Notice to Reader Financial Statements of JRG Ledgeview Holdings Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>2) Minimum Notice to Reader Financial Statements of JRG Queens LRS Ventures Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>3) Minimum Notice to Reader Financial Statements of JRG Glass House Estate Winery Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>4) Minimum Notice to Reader Financial Statements of Blank Canvas Catering Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>5) Minimum Notice to Reader Financial Statements of Monkey See Tiki Bar Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>6) Minimum Notice to Reader Financial Statements of The Phat Bird Public House Ltd., T2 and Notice of Assessment within 120 days of Fiscal Year-End</p> <p>7) Minimum external accountant prepared combined Notice to Reader financial statements for all entities above #1 to #6 within 120 days of Fiscal Year-End</p> <p>8) Updated Personal Net Worth Statements of Andre Bourque and Ryan Moreno, as reasonably requested by the Bank</p> <p>9) Any other information as requested by the Bank</p>
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A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

### Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

### Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower



## Terms and Conditions

maintained by BMO, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under the Facilities; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

### Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of \$4,500.00 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$400.00 All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

### Banking Services:

The Borrower shall maintain its bank accounts, solely with BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

### Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

### Commercial Loan Insurance Plan:

**You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.**

### Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

### Governing Law:

British Columbia and the federal Laws of Canada applicable therein.

### Schedules:

The following Schedules are attached to and form part of this letter of agreement:  
Schedule A - Covenants



**Terms and Conditions**

Schedule B – Representations and Warranties  
Schedule C – Conditions Precedent to Advances

BMO's Legal Counsel: Guild Yule LLP



**Agreement and Consent**

In accepting this Letter of Agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than July 31, 2021 If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,  
BANK OF MONTREAL

P.P. **Ignacio Arias**

By: \_\_\_\_\_  
Name: HANI SBAITI  
Title: Relationship Manager

Digitally signed by Ignacio Arias  
DN: cn=Ignacio Arias, o=BMO,  
ou=BMO,  
email=ignacio.arias@bmo.com,  
c=CA  
Date: 2021.07.08 07:58:24 -07'00'

Accepted and agreed to this 20 day of July, 2021  
(Day) (Month) (Year)

**BORROWER(S)**

JRG QUEENS LRS VENTURES LTD.

Signature: [Signature]

Name: Ryan Moreno

Title: Director

**GUARANTOR(S)**

BLANK CANVAS CATERING LTD.

Signature: [Signature]

Name: Ryan Moreno

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**MONKEY SEE TIKI BAR LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**JRG LEDGEVIEW HOLDINGS LTD.**

Signature: [Signature]

Name: Andre Bourque

Title: Director

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ANDRE BOURQUE**

Signature: [Signature]

Name: Andre Bourque

**RYAN MORENO**

Signature: \_\_\_\_\_

Name: Ryan Moreno

Witness Signature: [Signature]  
B. Sunny Adja  
Barrister & Solicitor

Witness Name: HAMILTON DUNCAN ARMSTRONG  
STEWART LAW CORPORATION  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Signature: [Signature]

Witness Name: \_\_\_\_\_



**Agreement and Consent**

**JRG GLASS HOUSE ESTATE WINERY LTD.**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name: Ryan moreno  
Title: Director

**MONKEY SEE TIKI BAR LTD.**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name: Ryan moreno  
Title: Director

**JRG LEDGEVIEW HOLDINGS LTD.**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Signature: \_\_\_\_\_  
Name: Ryan moreno  
Title: Director

**ANDRE BOURQUE**

Signature: \_\_\_\_\_

Name: Andre Bourque

**RYAN MORENO**

Signature: \_\_\_\_\_

Name: Ryan Moreno

Witness Signature: \_\_\_\_\_  
B. Sunny Aujia  
Barrister & Solicitor

Witness Name: **HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

Witness Signature: \_\_\_\_\_  
B. Sunny Aujia  
Barrister & Solicitor

Witness Name: **HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3



Agreement and Consent



## Schedules

### SCHEDULE A

### COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.





**Schedules**SCHEDULE BREPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.



## Schedules

### SCHEDULE C

#### ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.



## Schedules

### SCHEDULE D

#### DEFINITIONS

**"Advance"** means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

**"Approvals"** means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

**"Credit Parties"** means, collectively, the Borrower(s) and the Guarantor(s).

**"Default"** means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

**"Documentation"** means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

**"including"** means including but without limitation.

**"Laws"** means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

**"Litigation"** means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

**"Material Contracts"** means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

**"Material Adverse Effect"** means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

**"Obligations"** means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).



## Schedules

**"Prime Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

**"Taxes"** means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

**"US Base Rate"** means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.





**Company Legal Name: JRG QUEENS LRS VENTURES LTD.**

**Document Name: LF44 - Guarantee for Indebtedness of an Incorporated Company**

**Customer Tracking ID: 125335600819400**

**Application ID: 200261477**

**Transaction ID: MOD-301038246**

**ATTENTION:**

**Please do not remove or discard this sheet and ensure that it is returned with the attached document(s).**

### Guarantee for Indebtedness of an Incorporated Company

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with JRG QUEENS LRS VENTURES LTD. (the "Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of One Million, Seven Hundred Thousand and 00/100 Dollars \$1,700,000.00 plus interest thereon at a rate of 5.00 per cent per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

Insert name of  
Canadian  
Province in  
which  
Customer's  
account with  
the Bank is  
kept at the time  
Guarantee is  
given

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

This clause  
applies to  
the Province  
of Québec  
only

Dated this 20 day of JUN, 2021 .


**JRG GLASS HOUSE ESTATE WINERY LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

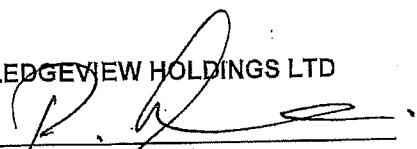
**BLANK CANVAS CATERING LTD.**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**MONKEY SEE TIKI BAR LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

**JRG LEDGEVIEW HOLDINGS LTD**

By:   
Name: Ryan Richard Moreno  
Title: Authorized Signatory

® Registered trade-marks of Bank of Montreal





**Company Legal Name: JRG QUEENS LRS VENTURES LTD.**

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### Guarantee for Indebtedness of an Incorporated Company

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IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or settling up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee in respect of debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this

Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

(insert name of Canadian Province in which Customer's account with the Bank is kept at the time Guarantee is given)

THIS CONTRACT shall be construed in accordance with the laws of the Province of British Columbia and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (I) it fully understands the provisions of this Guarantee and its obligations hereunder; (II) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (III) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.


THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

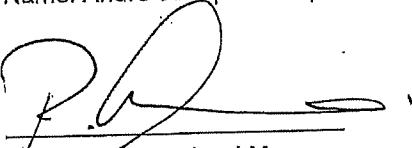
IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

This clause applies to the Province of Québec only

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

Dated this 20 day of July, 2021.

  
Name: Andre Joseph Bourque

  
Name: Ryan Richard Moreno

Witness: 

Name: B. Sunny Aujla  
Barrister & Solicitor

~~HAMILTON DUNCAN ARMSTRONG  
+ STEWART LAW CORPORATION~~  
Witness: ~~#1450 - 13401, 108th Avenue,~~  
Name: ~~Surrey, BC V3T 5T3~~

**B. Sunny Aujla**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC V3T 5T3

® Registered trade-marks of Bank of Montreal

# hamilton duncan

B. Sunny Aujla \*  
bsa@hdas.com

t 604 581.4677  
f 604 581.5947

Our File No. 20315002

July 22, 2021

Bank of Montreal  
2200 - 4720 Kingsway,  
Burnaby, B.C. V5H 4N2

Guild Yule LLP  
2100 - 1075 West Georgia Street  
Vancouver, BC V6E 3C9

Re: Loans and credit facilities in the amount of \$1,700,000 (the "**Loans and Credit Facilities**") made by the Bank of Montreal (the "**Lender**") to JRG Queens LRS Ventures Ltd. (the "**Borrower**") and guaranteed by Monkey See Tiki Bar Ltd., Blank Canvas Catering Ltd., JRG Ledgeview Holdings Ltd., JRG Glass House Estate Winery Ltd. (collectively, the "**Corporate Guarantors**"), Ryan Richard Moreno and Andre Bourque (collectively, the "**Individual Guarantors**")

---

We have acted as solicitors for the loan parties referenced above (other than the Lender) in connection with the Loans and Credit Facilities

In this regard we have reviewed executed copies of the following loan and security documents:

1. in respect of the Borrower, the Loan Documents described in the resolution of the Director(s) of the Borrower dated July 20, 2021 (the "**Borrower Loan Documents**"), a copy of which resolution is attached hereto as **Schedule "A"**;
2. in respect of the Corporate Guarantors, the "Loan Documents" described in the resolutions of the Directors of each of the Corporate Guarantors dated July 20, 2021 (collectively, the "**Corporate Guarantor Loan Documents**"), a copies of which resolutions are attached hereto as **Schedule "B"**;
3. in respect of Ad Prolem Capital Investments Ltd. (the "**Ad Prolem**"), an agreement entitled "Assignment, Postponement and Subordination Agreement" in favour of the Bank (the "**APCI Subordination**");

4. in respect of Joseph Bourque Investments Ltd. (the "**Joseph**"), an agreement entitled "Assignment, Postponement and Subordination Agreement" in favour of the Bank (the "**JBI Subordination**"); and
5. in respect of the Individual Guarantors:
  - a. a Letter of Agreement dated July 6, 2021;
  - b. a guarantee in the amount of \$1,700,000 dated July 20, 2021  
(collectively, the "**Individual Guarantor Loan Documents**").

And we have reviewed:

1. resolutions dated July 20, 2021 of the director(s) of the Borrower;
2. a director's certificate dated July 20, 2021 with respect to the Borrower;
3. resolutions dated July 20, 2021 of the director(s) of each Corporate Guarantor;
4. a director's certificate dated July 20, 2021 with respect to the Guarantor;
5. resolutions dated July 20, 2021 of the director(s) of Ad Prolem and Joseph;
6. the constating documents of the Borrower and each Corporate Guarantor; and
7. such other public and corporate records and other documents as we have deemed necessary for the opinions expressed in this letter.

For the purposes of the opinions expressed herein, in our examinations, we have assumed (without independent investigation or verification):

1. the genuineness of all signatures (other than signatures obtained in our presence) on all documents purporting to be originals and on the originals of all documents submitted to us as copies;
2. the authenticity of all documents submitted to us as originals and of the originals of all documents submitted to us as copies, and the conformity to originals of all documents submitted to us as copies; and
3. that all facts set forth in the official public records, indices and filing systems and all certificates and documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate.

We have also considered such questions of law as we have deemed relevant and necessary as a basis for the opinions hereinafter expressed.

This opinion is limited to the matters expressly stated herein. No opinion is expressed as to the enforceability of any provision of any document.

With respect to the opinion expressed in paragraph 1 hereof, we have, with your approval, relied solely upon the Certificates of Good Standing, which certificates are being delivered to you concurrently with this opinion. In addition, for facts relevant to the opinions expressed below, we have relied solely and without independent investigation upon the Officer's Certificates, which are being delivered to you concurrently with this opinion; however, we are not aware of any fact or circumstance which would disentitle us to rely on such certificates.

In our opinion:

- A. The Borrower and each Corporate Guarantor was incorporated under the laws of British Columbia and is in good standing with the Registrar of Companies for British Columbia in respect of filing of annual reports and has the corporate power and capacity to borrow and secure repayment of monies borrowed or obligations owed in the manner contemplated by the Borrower Loan Documents and the Corporate Guarantor Loan Documents.
- B. All necessary corporate steps and proceedings have been taken by the Borrower and each Corporate Guarantor to authorize the borrowing of the Loans and Credit Facilities from the Lender and or granting of financial assistance thereof, as the case may be, and the execution, delivery and performance of each of the Borrower Loan Documents and the Guarantor Loan Documents.
- C. Each of the Borrower Loan Documents has been duly authorized, executed and delivered by the Borrower.
- D. Each of the Corporate Guarantor Loan Documents has been duly authorized, executed and delivered by each Corporate Guarantor.
- E. Each the APCI Subordination and the JBI Subordination have been duly authorized, executed and delivered by Ad Prolem and Joseph respectively.
- F. Each of the Individual Guarantor Loan Documents has been duly executed and delivered by each Individual Guarantor.

Notwithstanding that our fee for this opinion will be paid by the Borrower and that we have acted for the loan parties referenced above (other than the Lender), we acknowledge that each of the Lender and Guild Yule LLP is relying upon the opinions expressed herein. This opinion is intended solely for the use of the persons to whom it is addressed and their assignees and transferees as permitted under the documents and may not be relied on by any other person without our prior written consent. The opinion is given as of the date hereof and we disclaim any obligations or undertaking to advise any person of any change in fact or law which may come to our attention after the date hereof. Although certain addressees hereof may receive

copies of this opinion, they are entitled to rely on this opinion as fully as if such copies were signed originals.

Yours truly,

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

HAMILTON DUNCAN ARMSTRONG + STEWART LAW CORPORATION





This is Exhibit "N" to the Affidavit #1 of  
André Joseph Bourque affirmed July 16, 2023  
before me at the City of Vancouver.



A Commissioner for taking Affidavits in and for  
the Province of British Columbia.



Alex Suelzle <alex.suelzle@gmail.com>

**Dec 31 2022**

4 messages

Alex Suelzle <alex.suelzle@gmail.com>

Thu, Jun 1, 2023 at 11:54 AM

To: Alex Melnikov <Alex.Melnikov@bmo.com>

Cc: Ryan Richard Moreno <ryan@wearejrg.ca>, Andre Bourque <andre@jrg.ca>

Hi Alex

I am finishing off the combined FS and need the total balance outstanding as at Dec 31 2022 for the JRG group with the interest rate and payment amounts so I can tie the FS notes to the BS

Thanks

Alex

--

Alex Suelzle, CPA, CA

Managing Partner / Director

Alexander Suelzle  
Chartered Professional Accountant  
Third Floor - 1275 West 6th Ave  
Vancouver BC V6H 1A6  
Toll free#1-833-343-4776  
Direct #604-909-3844  
Cell #604-836-5501  
Fax #1-888-793-7539

Any advice herein is based on the facts provided to us and on current tax law including judicial and administrative interpretation. Tax law is subject to continual change, at times on a retroactive basis and may result in incremental taxes, interest or penalties. Should the facts provided to us be incorrect or incomplete or should the law or its interpretation change, our advice may be inappropriate. We are not responsible for updating our advice for changes in law or interpretation after the date hereof. ACA's advice is for the sole use of ACA's client. The advice is based on the specific facts and circumstances and the scope of ACA's engagement and is not intended to be relied upon by any other person. ACA disclaims any responsibility or liability for any reliance that any person other than the client may place on this advice.

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If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it, is prohibited and may be unlawful. When addressed to our clients any opinions or advice contained in this email are subject to the terms and conditions expressed in the governing ACA client engagement contract.

Melnikov, Alex <Alex.Melnikov@bmo.com>

Thu, Jun 1, 2023 at 12:06 PM

To: Alex Suelzle <alex.suelzle@gmail.com>, "Misola, Neil" <Neil.Misola@bmo.com>

Cc: Ryan Richard Moreno <ryan@wearejrg.ca>, Andre Bourque <andre@jrg.ca>, "CHOW, KEITH" <Keith.Chow@bmo.com>

Neil, per below could you kindly coordinate with Alex working on financials for JRG on what loan balances and for which entities he needs and provide the info.

Thanks,  
Alex

Alex Melnikov, CFA  
Senior Director  
Corporate Finance

**BMO Commercial Bank**  
595 Burrard St., 6th Floor  
Vancouver, BC V7X 1L7

alex.melnikov@bmo.com  
M 604-785-3240  
F 604-687-3666

Team Contacts:

**Keith Chow**, Associate Director

T: 604-817-4126 | E: Keith.Chow@bmo.com

For service requests, please contact one of our specialist teams below:

Lending administration inquiries:

**Neil Misola**, Client Delivery Associate

Phone: 1 (604) 903-3047

Email: neil.misola@bmo.com

Everyday banking (transactions, inquiries):

**Treasury & Payment Solutions Client Services**

Phone: 1-833-713-0160

Email: TPS1.Clients@bmo.com

**Online Resources:** Visit our Help Centre for step by step guides and training resources

**VIP Technical Helpdesk:** For technical assistance with Online Banking (OLBB) call 1-855-208-3662 (M-F 7:30 AM – 7:00 PM EST) or e-mail TPSCORP.Helpdesk@bmo.com

**Corporate MasterCard (Spend Dynamics):** 1-800-844-6445 or email ebsclientservices@bmo.com

This email and its attachments are confidential. Any unauthorized use or disclosure is prohibited. If you receive this email in error, please notify me by reply email and permanently delete the original without making any copies or disclosing its contents.

**From:** Alex Suelzle <alex.suelzle@gmail.com>  
**Sent:** June 1, 2023 11:55 AM  
**To:** Melnikov, Alex <Alex.Melnikov@bmo.com>  
**Cc:** Ryan Richard Moreno <ryan@wearejrg.ca>; Andre Bourque <andre@jrg.ca>  
**Subject:** Dec 31 2022

External Email: Use caution with links and attachments. | Courriel externe : Faites preuve de prudence en ce qui a trait aux liens et aux pièces jointes.

[Quoted text hidden]

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**Alex Suelzle** <alex.suelzle@gmail.com> Thu, Jun 1, 2023 at 12:31 PM  
To: "Melnikov, Alex" <Alex.Melnikov@bmo.com>  
Cc: "Misola, Neil" <Neil.Misola@bmo.com>, Ryan Richard Moreno <ryan@wearejrg.ca>, Andre Bourque <andre@jrg.ca>, "CHOW, KEITH" <Keith.Chow@bmo.com>

Thanks Alex  
[Quoted text hidden]

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**Misola, Neil** <Neil.Misola@bmo.com> Fri, Jun 2, 2023 at 4:01 PM  
To: Alex Suelzle <alex.suelzle@gmail.com>  
Cc: Ryan Richard Moreno <ryan@wearejrg.ca>, Andre Bourque <andre@jrg.ca>, "CHOW, KEITH" <Keith.Chow@bmo.com>, "Melnikov, Alex" <Alex.Melnikov@bmo.com>

Hi Alex,

Here is loan information:

#### **Monkey See Tiki Bar**

December 31, 2022 balance is \$172,388.06

Interest Rate: 8.20% (Prime + 1.50)

Payment amount: \$2,611.94 + Interest (P+I)

#### **JRG Queens LRS Ventures**

December 31, 2022 balance is \$1,166,923.84

Interest Rate: 8.20% (Prime + 1.50)

Payment amount: \$18,924.97

#### **JRG Ledgeview**

December 31, 2022 balance is \$ 682,420.44

Interest Rate: 8.20% (Prime + 1.50)

Payment amount: \$ 11,213.98

Let me know if you need anything further.

Thanks

Neil

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Upcoming Vacation: None

Upcoming bank holiday: July 3

Neil Misola | Client Delivery Associate

BMO Commercial Bank

BMO Bank of Montreal

1505 Lonsdale Avenue

North Vancouver, BC V7M 2J4

neil.misola@bmo.com

T 604-235-5407

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This message and any attachments are intended only for the intended recipient(s), and are confidential, and may be privileged. If you are not the intended recipient, you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of this message and any attachments is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return email, and delete this message and any attachments from your system. Thank you.

[Quoted text hidden]



This is Exhibit "O" to the Affidavit #1 of  
André Joseph Bourque affirmed July 16, 2023  
before me at the City of Vancouver.

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

A Commissioner for taking Affidavits in and for  
the Province of British Columbia.



Company	Business #	FROM CRA WEBSITE			CORP TAX	TOTAL
		GST OWING	SD OWING			
JRG Cloverdale Ventures Ltd.	825392889	\$42,179.13	\$187,418.76	\$0.00	\$229,597.89	
JRG Ledgview Holdings Ltd	765475942	\$0.00	\$2,026.38	\$0.00	\$2,026.38	
Livelyhood Public House Ltd.	706195286	\$0.00	\$0.00	\$0.00	\$0.00	
Meal Ticket Brands Systems Ltd.	797988870	\$118,483.25	\$11,467.09	\$0.00	\$129,950.34	
Oak & Thorne Public House Ltd.	779486091	\$25,256.59	\$329,486.44	\$24,710.44	\$379,453.47	
JRG SP Brewing & Pub Ltd.	707237483	\$5,658.36	\$76.18	\$0.00	\$5,734.74	
Steveston Hospitality Services Ltd.	807927991				\$0.00	
WONG JRG Ventures Abbotsford Ltd	804891646				\$0.00	
Townhall Holdings Chilliwack Ltd.	778783522	\$11,029.46	\$0.00	\$0.00	\$11,029.46	
The Study Public House Ltd.	754538486	\$0.00	\$256,660.82	\$0.00	\$256,660.82	
Townhall Holdings Ltd.	804312403	\$8,634.43	\$0.00	\$0.00	\$8,634.43	
Townhall Holdings Maple Ridge Ltd.	833732985	\$9,407.17	\$288,064.43	\$0.00	\$297,471.60	
Townhall Holdings South Surrey Ltd.	850581539	\$2,886.31	\$0.00	\$0.00	\$2,886.31	
S+L Kitchen & Bar Holdings Abbotsford Ltd.	771957727	\$20,581.90	\$278,799.46	\$0.00	\$299,381.36	
S+L Kitchen & Bar Holdings Langley Ltd.	804361129	\$79,807.19	\$443,491.04	\$0.00	\$523,298.23	
S+L Kitchen & Bar Holdings South Surrey Ltd.	771132727	\$15,711.29	\$366,948.63	\$0.00	\$382,659.92	
The Italian Osteria and Cheese Bar Ltd	803984194	\$57,280.32	\$326,125.38	\$0.00	\$383,405.70	
JRG Clover Station LRS Ltd.	771418001	\$0.00	\$739.36	\$0.00	\$739.36	
JRG Queens LRS Ventures Ltd.	804388924	\$0.00	\$0.00	\$0.00	\$0.00	
Blank Canvas Catering Ltd	734584915	\$46,601.06	\$0.00	\$0.00	\$46,601.06	
JRG Glasshouse Winery Ltd.	707240685	\$0.00	\$0.00	\$0.00	\$0.00	
Edith & Arthur Public House Ltd	844280933	\$0.00	\$0.00	\$0.00	\$0.00	
JRG CLOVERDALE HOLDINGS LTD	827842394	\$7.18	\$0.00	\$0.00	\$7.18	
Joseph Richard Management Ltd.	801718362	\$0.00	\$2,232,584.17	\$0.00	\$2,232,584.17	
JOSEPH RICHARD INVESTMENTS	841816440	\$0.00	\$0.00	\$0.00	\$0.00	
		\$443,523.84	\$4,723,888.14	\$24,710.44	\$5,192,122.42	
THESE AMOUNTS ARE PENALTIES OWED						

CREDIT TO BE ALLOCATED -4416.00

JRG Cloverdale Ventures Ltd.	16,479.06
Livelyhood Public House Ltd.	0.00
Oak + Thorne Public House Ltd.	31,086.42
JRG SP Brewing Ltd.	0.00
Steveston Hospitality Services Ltd.	18,355.93
WONG JRG Ventures Abbotsford Ltd.	0.00
Townhall Holdings Chilliwack Ltd.	6,946.20
The Study Public House Ltd.	n/a
Townhall Holdings Ltd.	140,519.32
Townhall Holdings Maple Ridge Ltd.	192,983.54
Townhall Holdings South Surrey Ltd.	n/a
S+L Kitchen + Bar Holdings Abbotsford Ltd.	21,286.59
S+L Kitchen + Bar Holdings Langley Ltd.	9,988.93
S+L Kitchen + Bar Holdings South Surrey Ltd.	8,589.12
The Italian Osteria + Cheese bar Ltd.	25,548.26
Whiskey Charlie Holdings Ltd.	0.00
JRG Clover Station LRS	89,704.19
JRG Queens LRS Ventures Ltd.	298,872.07
The Phat Bird Public House Ltd.	n/a
Edith + Arthur Public House Ltd.	n/a
Micky's Investments Coquitlam Ltd.	n/a
Townhall Holdings Coquitlam Ltd.	n/a
Oceanside Public House Ltd.	51,331.09
total	911,690.72
all may 1-31 balances have been paid in full and are not included in the sums above. June 1-30 balances will be available after june 3rd.	



This is Exhibit "P" to the Affidavit #1 of  
André Joseph Bourque affirmed July 16 2023  
before me at the City of Vancouver.

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

A Commissioner for taking Affidavits in and for  
the Province of British Columbia.

## GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT is dated as of October 30, 2019,

**BETWEEN:**                **0911110 B.C. LTD.** (Incorporation Number BC0911110), a company incorporated pursuant to the laws of the Province of British Columbia, and having its registered and records office situated at 215-13737-72 Avenue, Surrey, BC V3W 2P2

(the "Lender")

**AND:**                      **SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.** (Incorporation Number BC1091888), a company incorporated pursuant to the laws of the Province of British Columbia, and having its registered and records office situated at 1450, 13401 – 108 Avenue, Surrey, BC V3T 5T3

(the "Debtor")

**WHEREAS:**

- A. Pursuant to a loan agreement dated October 30, 2019 between the Debtor, the Lender, Joseph Richard Investments Ltd., Ryan Moreno and Andre Bourque, the Lender agreed to advance a loan to the Debtor for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC, (the "Subject Property") and on the terms and conditions as set out therein;
- B. The Lender wishes to secure the obligations of the Debtor under the Loan Agreement by filing a security interest in the Personal Property Security Registry (British Columbia) against the Debtor.
- C. The Debtor deems it advisable and necessary to enter into this General Security Agreement.

### ARTICLE 1

#### INTERPRETATION

1.1                **Terms Incorporated by Reference.** Terms defined in the PPSA and not otherwise defined in this General Security Agreement (including without limitation the terms "accounts", "accessions", "chattel paper", "consumer goods", "document of title", "equipment", "fixtures", "goods", "instrument", "intangible", "inventory", "money", "proceeds" and "securities") shall have the same meaning herein, unless there is something in the subject matter or context inconsistent therewith.

1.2                **Defined Terms.** In this General Security Agreement, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the following meanings:

"**Business Day**" means a day on which banks are open for business in City of Vancouver, British Columbia which is not a Saturday or Sunday;

"**Collateral**" has the meaning set forth in section 2.1 (1);

"**Debtor**" has the meaning set forth in the recitals above;

"**Intellectual Property**" has the meaning set forth in section 2.1 (1) (f);

"**Law**" includes any law (including common law and equity), constitution, statute, treaty, regulation, rule, ordinance, order, injunction writ, decree or award of any Official Body;

"**Lien**" includes any mortgage, pledge, lien, hypothecation, security interest or other encumbrance or charge (whether fixed, floating or otherwise) or title retention, any right of set-off and any deposit of moneys under any agreement or arrangement whereby such moneys may be withdrawn only upon fulfilment of any conditions as to the discharge of any other indebtedness or other obligation to any creditor, or any right of or arrangement of any kind with any creditor to have its claims satisfied prior to other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or hereafter acquired;

"**Lender**" has the meaning set forth in the recitals hereto;

"**Negotiable Collateral**" has the meaning set forth in section 2.3 (2);

"**Obligations**" has the meaning set forth in section 2.2 (1);

"**Official Body**" includes any government or political subdivision or any agency, authority, bureau, central bank, commission, department or instrumentality of either, or any court, tribunal, grand jury or arbitrator whether foreign or domestic;

"**person**" includes an individual, partnership, corporation ( including a business trust), joint stock company, trust, unincorporated association, joint venture or other entity, or an Official Body;

"**PPSA**" means the *Personal Property Security Act* (British Columbia);

"**Security Interest**" has the meaning set forth in section 2.2(1); and

"**this General Security Agreement**", "**herein**", "**hereof**" and "**hereunder**" and similar expressions mean and refer to this Security Agreement as supplemented or amended and not to any particular Article, section, Schedule or other portion hereof; and the expressions "**Article**", "**section**" and "**Schedule**" followed by a number or letter mean and refer to the specified Article, section or Schedule of this General Security Agreement.

1.3 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles.

1.4 **Singular, Plural, etc.** As used herein, each gender shall include all genders, and the singular shall include the plural and the plural the singular as the context shall require.

1.5 **Successors, etc.** In this Security Agreement:

- (a) reference to any body corporate shall include successors thereto, whether by way of amalgamation or otherwise; and
- (b) references to any statute, enactment or legislation or to any section or provision thereof include a reference to any order, ordinance, regulation, rule or by-law or proclamation made under or pursuant to that statute, enactment or legislation and all amendments, modifications, consolidations, re-enactments or replacements thereof or substitutions therefor from time to time.

1.6 **Headings, etc.** The division of this General Security Agreement into sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

## ARTICLE 2

### SECURITY

2.1 **Grant of Security.** (1) Subject to section 2.4, the Debtor hereby mortgages and charges to the Lender as and by way of a fixed and specific mortgage and charge, pledges to the Lender, assigns and transfers to the Lender as and by way of a specific transfer and assignment, and grants to the Lender, a security interest in all the Debtor's right, title and interest in and to all of the Debtor's present and after acquired personal property (collectively, the "**Collateral**", all references thereto herein including any part thereof) now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) now or hereafter situate on, used in connection with or arising from the business or affairs carried on, at or about the Subject Property, including without limitation, any and all of the following Collateral on the Subject Property:

- (a) inventory;
- (b) equipment (other than Inventory) of whatever kind, fixtures and other goods and chattels of every kind and description, all licences, franchise agreements, and other rights and all records, files, charts, plans, drawings, specifications, manuals and documents relating thereto;;
- (c) accounts due or accruing due, including royalties, and all agreements, books, accounting, invoices, letters, documents and papers recording, evidencing or relating thereto;
- (d) money, documents and papers recording, evidencing or relating thereto;
- (e) substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in sections 2.1 (1)(a)-(d) inclusive; and
- (f) proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in sections 2.1(1)(a)-(e) inclusive or the proceeds therefrom.

### 2.2 **Obligations Secured.**

(1) This Security Agreement and the security interests hereby created (collectively, the "**Security Interest**") are in addition to and not in substitution for any other security interest now or hereafter held by the Lender from the Debtor or from any other person whomsoever and shall be a general and continuing security for the payment of all indebtedness and liability of the Debtor to the Lender (including interest on all indebtedness and liability), present and future, absolute and contingent, joint or several, direct or indirect, natural or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all future advance and re-advances, and for the performance of all obligations of the Debtor to the Lender, whether or not contained in this General Security Agreement (all of which indebtedness, liability and obligations are hereinafter collectively called the "**Obligations**").

(2) All reasonable expenses, costs and charges incurred by or on behalf of the Lender in connection with this General Security Agreement, the Security Interest or the realization of the Collateral, including all legal fees (on a solicitor and own client basis) court costs, receiver's or

agent's remuneration and other reasonable expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment of the Collateral, shall be added to and form a part of the Obligations.

### 2.3 Attachment.

(1) the Debtor by execution hereof and the Lender by acceptance hereof acknowledge that (i) value has been given, (ii) the Debtor has rights in the Collateral (other than after-acquired Collateral), (iii) they have not agreed to postpone the time of attachment of the Security Interest, and (iv) the Debtor has received a duplicate original copy of this Security Agreement. Neither the execution hereof nor any filing with respect hereto shall obligate the Lender to grant any credit to the Debtor, but the Security Interest shall take effect forthwith upon execution hereof by the Debtor.

(2) If the Debtor acquires Collateral consisting of chattel paper, instruments, securities or negotiable documents of title (collectively, "**Negotiable Collateral**") after the date hereof, the Debtor will, forthwith upon demand by the Lender, deliver to the Lender such Negotiable Collateral and shall, at the request of the Lender (i) cause the transfer thereof to the Lender to be registered wherever, in the reasonable opinion of the Lender, such registration may be required or advisable, (ii) duly endorse the same for transfer in blank or as the Lender may direct, and (iii) forthwith deliver to the Lender any and all consents or other instruments or documents which may be necessary to effect the transfer of the Negotiable Collateral to the Lender or any third party.

(3) The Debtor shall promptly inform the Lender in writing of the acquisition by the Debtor of any property which is not adequately described herein, and the Debtor shall execute and deliver at its own expense from time to time amendments to this General Security Agreement or the schedules hereto or additional security agreements or schedules as may be required by the Lender in order that the Security Interest shall attach to such property.

### 2.4 Scope of Security Interest.

(1) Nothing in section 2.1 shall be construed as an attempt by the Debtor to assign (which term shall include a sub-lease, mortgage, pledge or charge) any lease, agreement, account, claim, demand or chose in action which, as a matter of Law or by its terms, is non-assignable without the consent of some other person unless such consent has been obtained. The Debtor shall forthwith obtain such consent and, until such consent has been obtained, the Security Interest shall not attach to such lease, agreement, account, claim, demand or chose in action but the Debtor shall hold its interest therein in trust to assign or dispose thereof as the Lender may direct. Forthwith upon such consent being obtained, the Security Interest shall apply to such lease, agreement, account, claim, demand or chose in action without the necessity of any further action or assurance on the part of any person.

(2) Until the Security Interest shall have become enforceable, the grant of the Security Interest in the Intellectual Property shall not affect in any way the Debtor's rights to commercially exploit the Intellectual Property, to enforce the Debtor's rights therein or with respect thereto against third parties in any court or to claim and be entitled to receive any damages with respect to any infringement thereof.



(3) The Security Interest shall not extend or apply to the last day of any term of years reserved by any lease now held or hereafter acquired by the Debtor but the Debtor shall stand possessed of any such reversion upon trust to assign or dispose thereof as the Lender may direct.

(4) The Lender will neither be deemed in any manner to have assumed any obligations of the Debtor under any lease or any contract nor shall the Lender be liable to any Official Body or contract counterparty by reason of any default by any person under any lease, contract or otherwise. The Debtor agrees to indemnify and hold the Lender harmless of and from any and all liability, loss or damage which it may or might incur by reason of any claim or damage against it based on its alleged assumption of the Debtor's duty and obligation to perform and discharge the terms, covenants and agreements in any lease, contract or otherwise.

(5) It is expressly acknowledged by the Debtor that, notwithstanding any right or authority granted to the Debtor herein or in any other agreement or instruments to deal with the Collateral, it is the intention of the Debtor and the Lender that (i) the Security Interest shall operate and be construed as a fixed and specific charge of all Collateral in respect of which the Debtor presently has rights, and as a fixed and specific charge of all after-acquired Collateral which shall attach forthwith upon the Debtor acquiring rights therein, and (ii) the Security Interest shall neither operate nor be construed as a floating charge.

## 2.5 Lender's Care and Custody of Collateral.

(1) Except as required by any mandatory provision of the PPSA, the Lender shall not be bound to collect, dispose of, realize, protect or enforce any of the Debtor's right, title and interest in and to the Collateral or to institute proceedings for the purpose thereof and, without limiting the generality of the foregoing, the Lender shall not be required to take any steps necessary to preserve rights against other persons in respect of any Negotiable Collateral.

(2) The Lender shall have no obligation to keep Collateral in its possession identifiable.

(3) The Lender may, after the Security Interest shall have become enforceable (i) notify any person obligated on an account or on chattel paper or any obligor on an instrument to make payment thereunder to the Lender whether or not the Debtor was theretofore making collections thereon, and (ii) assume control of any proceeds arising from the Collateral.

2.6 **Debtor's Dealing with Collateral.** The Debtor shall not, without the prior written consent of the Lender, sell, exchange, lease, release or abandon or otherwise dispose of the Collateral, or create, assume or permit to remain outstanding any Lien in, on or of the Collateral, except for the sale or lease of inventory in the ordinary course of business and for the purpose of carrying on the same. Any proceeds of such sale or lease shall be held by the Debtor in trust for the Lender and, at the request of the Lender, shall be paid immediately to the Lender.

## ARTICLE 3

### ENFORCEMENT

3.1 **Default.** the Security Interest shall be and become enforceable against the Debtor if and when the Debtor shall fail to repay or perform any of the Obligations when due and payable or to be performed.

3.2 **Remedies.** Whenever the Security Interest has become enforceable the Lender may

realize upon the Collateral and enforce the rights of the Lender by any remedy or proceeding authorized or permitted by Law (subject in all cases to any mandatory provision of the PPSA), and without limiting the generality of the foregoing the Lender may:

- (a) enter without notice to the Debtor onto any premises where Collateral consisting of tangible personal property may be located, and enter into possession and remove the Collateral by any method permitted by Law;
- (b) sell, lease or otherwise dispose of the Collateral;
- (c) collect any proceeds arising in respect of the Collateral;
- (d) collect, realize upon or sell or otherwise deal with the accounts;
- (e) exercise any contractual, legal or other rights or interests of the Debtor under the Collateral;
- (f) pay any Lien that may exist or be threatened against the Collateral, in which event such amount and any costs, charges and expenses incurred in connection therewith shall be added to the Obligations;
- (g) institute proceedings in any court of competent jurisdiction for sale or foreclosure of the Collateral; and
- (h) file proofs of claim and other documents to establish claims in any proceeding relating to the Debtor.

Such remedies may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Lender however created. The Lender may proceed by way of any action, suit or other proceeding available at Law and no right, remedy or power of the Lender shall be exclusive of or dependent on any other. The Lender may exercise any of its rights, remedies or powers separately or in combination and at any time. The Lender shall not be bound to exercise any such right or remedy, and the exercise of such rights and remedies shall be without prejudice to the rights of the Lender in respect of the Obligations including the right to claim for any deficiency. Notwithstanding the foregoing, the Lender shall not be entitled to appoint a receiver or to institute proceedings in any court for the appointment of a receiver.

3.3 **Additional Rights.** In addition to the remedies of the Lender set forth in section 3.2, the Lender may, whenever the Security Interest has become enforceable:

- (a) where commercially reasonable, require the Debtor at the Debtor's expense, to assemble the Collateral at a place or places designated by notice in writing given by the Lender to the Debtor.
- (b) require the Debtor by notice in writing given by the Lender to the Debtor, to disclose to the Lender the location or locations of the Collateral;
- (c) repair, process, modify, complete or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of the Debtor or otherwise;
- (d) carry on all or any part of the business of the Debtor and, to the exclusion of all others including the Debtor, enter upon, occupy and use all or any of the premises, buildings, plant, undertaking and other property of or used by the Debtor for such time as the Lender sees

fit, free of charge, and the Lender shall not be liable to the Debtor for any act or omission in so doing (other than negligence or wilful misconduct) or for any rent, charges, depreciation or damages incurred in connection therewith or resulting therefrom;

- (e) borrow for the purpose of carrying on the business of the Debtor for the maintenance, preservation or protection of the "Collateral" and mortgage, charge, pledge or grant a Lien in, on or of the Collateral, whether or not in priority to the Security Interest, to secure repayment;
- (g) participate in any recapitalization, reclassification, reorganization, consolidation, redemption, share split, merger or liquidation of any issuer of securities which constitute Collateral, and in connection therewith may deposit or surrender control of the Collateral, accept money or other property in exchange for the Collateral, and take such action as it deems proper in connection therewith, and any other money or property received in exchange for the Collateral shall be held by the Lender thereafter as part of the Collateral pursuant to the provisions hereof.

3.4 **Appointment of Attorney.** The Debtor hereby irrevocably appoints the Lender (and any officer thereof) as attorney of the Debtor (with full power of substitution) to exercise in the name and on behalf of the Debtor, after the Security Interest shall have become enforceable, any of the Debtor's right (including the right of disposal), title and interest in and to the Collateral including the execution, endorsement and delivery of any agreements, documents, instruments, securities, documents of title and chattel paper and any notices, receipts, assignments or verifications of the accounts. All acts of any such attorney are hereby ratified and approved, and such attorney shall not be liable for any act, failure to act or any other matter or thing in connection therewith, except for its own negligence or wilful misconduct.

### 3.5 **Dealing with Collateral and the Security Interest.**

- (1) The Lender shall not be obliged to exhaust its recourse against the Debtor or any other person or persons or against any other security it may hold in respect of the obligations before realizing upon or otherwise dealing with the Collateral in such manner as the lender may consider desirable.
- (2) The Lender may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharge and otherwise deal with the Debtor and with other parties, sureties or securities as the Lender may see fit without prejudice to the Obligations or the rights of the Lender in respect of the Collateral.
- (3) The Lender shall not be (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of the Lender, the Debtor or any other persons in respect thereof, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal therewith, and (iv) bound to protect the Collateral from depreciating in value or becoming worthless; except in any such case where same is attributable to the gross negligence or wilful misconduct of the Lender.

3.6 **Standard of Disposition.** Without prejudice to ability of the Lender to dispose of the Collateral in any manner which is commercially reasonable, the Debtor acknowledges that a disposition of Collateral by the Lender which takes place substantially in accordance with the following provisions shall be deemed to be commercially reasonable:

- (a) Collateral may be disposed of whether or not the Lender has taken possession thereof;

- (b) Collateral may be disposed of in whole or in part;
- (c) Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;
- (d) any purchaser or lessee of Collateral may be a customer of the Lender;
- (e) a disposition of Collateral may be on such terms and conditions as to credit, deferred payment or otherwise as the Lender, in its sole discretion, may deem advantageous;
- (f) the Lender may establish an upset or reserve bid or price in respect of the Collateral; and
- (g) the Lender may buy in, rescind or vary any contract for the disposition of Collateral and may dispose of any Collateral again without being obliged to account or answerable for any gain or loss occasioned thereby.

3.7 **Dealings by Third Parties.** No person dealing with the Lender or its agent or a receiver shall be required (i) to determine whether the Security Interest has become enforceable, (ii) to determine whether the powers which the Lender or such agents or receiver is purporting to exercise have become exercisable, (iii) to determine whether any money remains due to the Lender by the Debtor, (iv) to determine the necessity or expediency of the stipulations and conditions subject to which any sale or lease shall be made, (v) to determine the propriety or regularity of any sale or of any other dealing by the Lender or such agent or receiver with the Collateral, or (vi) to see to the application of any money paid to the Lender or such agent or receiver.

3.8 **Statutory Waiver.** To the fullest extent permitted by Law, the Debtor waives all of the rights, benefits and protection provided to it by any statute which imposes limitations upon the rights, remedies or powers of a secured party.

## ARTICLE 4

### GENERAL

4.1 **Discharge.** The Security Interest shall be discharged upon, but only upon, full payment and performance of the Obligations and at the request and at the expense of the Debtor. The Lender shall execute and deliver to the Debtor such releases and discharges as the Debtor may reasonably require.

4.2 **Advances.** It is acknowledged that the principal moneys may be advanced in one or more tranches and that this Security Agreement will secure the ultimate balance owing by the Debtor to the Lender and will enjoy the priority given by the Property Law Act of British Columbia until the Lender has delivered to the Debtor a registrable discharge hereof. Neither the preparation, execution or registration of this Security Agreement nor the advance in part of the monies intended to be secured hereby will bind the Lender to advance any monies or further monies hereunder; but nevertheless the Security Interest will become effective immediately upon execution hereof.

4.3 **No Merger, etc.** No judgment recovered by the Lender shall operate by way of merger of or in any way affect the Security Interest, which is in addition to and not in substitution for any other security now or hereafter held by the Lender in respect of the Obligations.

4.4 **Waivers, etc.** No amendment, consent or waiver by the Lender shall be effective unless made in writing and signed by an authorized officer of the Lender and then such amendment, waiver or

consent shall be effective only in the specific instance and for the specific purpose for which given.

4.5 **Further Assurances.** The Debtor shall from time to time, whether before or after the Security Interest shall have become enforceable, do all such acts and things and execute and deliver all such deeds, transfers, assignments and instruments as the Lender may reasonably require for protecting the Collateral or perfecting the Security Interest and for exercising all powers, authorities and discretion hereby conferred upon the Lender, and the Debtor shall from time to time after the Security Interest has become enforceable do all such acts and things and execute and deliver all such deeds, transfers, assignments and instruments as the Lender may require for facilitating the sale of or other dealing with the Collateral in connection with any realization thereof.

4.6 **Notice.** All notices, requests, demands, directions and communications (in this section, "notices") hereunder shall be sent by telecopy or hand delivered, and shall be effective when received if received before 3:00p.m. (Vancouver time) on a Business Day or, if not, on the next following Business Day. All notices shall be given to the respective addresses on page 1 or, in either case, in accordance with any unrevoked written direction as to change of address.

4.7 **Successors and Assigns.** This General Security Agreement shall be binding upon the Debtor his successors and permitted assigns, and shall enure to the benefit of the Lender and its successors and permitted assigns. This General Security Agreement is a negotiable instrument and all holders hereof from time to time are invited by the Debtor to treat it accordingly.


4.8 **Severability.** If and to the extent that any provision hereof shall conflict with any mandatory provision of the PPSA (including without limitation an exclusion or purported exclusion of a duty or onus imposed by the PPSA or a limitation or purported limitation of the liability of or the amount of damages recoverable from a person who has failed to discharge a duty or obligation imposed by the PPSA), such provision of the PPSA shall govern. The provisions of this General Security Agreement are intended to be severable. If any provision of this General Security Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the validity or enforceability of the remaining provisions hereof in any jurisdiction.

4.9 **Governing Law.** This Security Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and of Canada if applicable therein and shall be treated in all respects as a British Columbia contract.

IN WITNESS WHERE OF the Debtor has duly executed this General Security Agreement under the hand of its proper officer duly authorized in that behalf as of the date first above written.

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

per:

  
\_\_\_\_\_  
Authorized Signatory

**LOAN AGREEMENT**

**THIS LOAN AGREEMENT** dated for reference October 30, 2019 and made,

**BETWEEN:**

**0911110 B.C. Ltd.** (BC0911110), a British Columbia incorporated company having its registered and records office situated at Suite 215 – 13737 – 72<sup>nd</sup> Avenue, Surrey, BC V3W 2P2 (as to an undivided 1/2 interest), and

(the “Lender”)

**AND:**

**Sudo Asian Kitchen Holdings (Langley) Ltd.** (Inc. No. BC1091888), a British Columbia incorporated company having its registered and records office situated at 1450, 13401 – 108<sup>th</sup> Avenue, Surrey, BC V3T 5T3, and

(the “Borrower”)

**AND:**

**Joseph Richard Investments Ltd.** (Inc. No. BC952989), a British Columbia incorporated company having its registered and records office situated at 1450, 13401 – 108<sup>th</sup> Avenue, Surrey, BC V3T 5T3, and (“JRI”)

**Ryan Moreno**, of 1268 – 216 Street, Langley, BC V2Z 1R2, and

(“Moreno”)

**Andre Bourque**, of 8343 – 209A Street, Langley, BC V2Y 0A5

(“Bourque”)

(collectively JRI, Moreno and Bourque are the “Guarantor”)

**WITNESSES THAT WHEREAS:**

- A. The Lender has agreed to make the Loan hereinafter described available to the Borrower to complete construction of tenant improvements at the premises known by the civic addresses 111-114, 19233 Fraser Highway, Surrey BC V3S 7C9, and more particularly described in the Lease hereafter defined,
- B. The parties wish to record the terms and conditions of the Loan.

**THEREFORE** in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

## 1. INTERPRETATION

### 1.1 Definitions.

Where used in this Agreement, each of the following words and phrases shall have the meanings set out below:

- (a) "Advance Date" means the date on which the Loan is advanced by the Lender to the Borrower hereunder;
- (b) "Agreement" and "this Agreement" mean this agreement and any amendments hereto or replacements of restatements hereof from time to time;
- (c) "Banking Day" means a day, excluding Saturday and Sunday, on which banking institutions are open for business in Vancouver, British Columbia;
- (d) "Borrower" means Sudo Asian Kitchen Holdings (Langley) Ltd.;
- (e) "\$Cdn" means lawful money of Canada;
- (f) "Event of Default" has the meaning given to it in paragraph 6.1 hereof;
- (g) "Guarantor" means collectively Joseph Richard Investments Ltd., Richard Ryan Moreno and Andre Bourque and their heirs, executors, administrators, successors and assigns;
- (h) "Interest Rate" means seven and three quarters percent (7.75%) per annum calculated monthly, not in advance, from January 1, 2020, up to the Repayment Date;
- (i) "Lease" means the lease made as of April 12, 2017, as modified from time to time between the Lender as landlord, the Borrower as tenant and Joseph Richard Investments Ltd. as indemnitor pursuant to which the Borrower leased the Premises from the Landlord;
- (j) "Loan" means the sum of \$400,000;
- (k) "Loan Amount" at any point in time means the outstanding principal balance of the Loan, interest and all other moneys then due owing by the Borrower to the Lender under this Agreement or any of the Security Documents;
- (l) "Loan Documents" means this Agreement and the Security Documents;
- (m) "Obligants" means the Borrower and the Guarantor and each of them is an "Obligant";
- (n) "Payment Commencement Date" means February 1, 2020;

- (o) "Premises" means the premises known by the civic addresses 111-114, 19233 Fraser Highway, Surrey, BC V3S 7C9, and more particularly described in the Lease;
- (p) "Principal Sum Secured" means the Loan Amount;
- (q) "Repayment Date" means January 31, 2026;
- (r) "Security Documents" means the security documents described in Schedule "A";
- (s) "Tenant Improvements" means all the tenant improvements to be instructed upon the Premises by the Borrower in accordance with the plans and as per the specifications approved by the Lender and for which sole purpose the Loan is being provided to the Borrower.

## 1.2 Currency.

All references to dollars or currency in this Agreement are to \$Cdn.

## 1.3 Applicable Law.

This Agreement and the rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereto agree that any legal action or proceedings against any of them with respect to any of the Loan Documents may be brought in the courts of the Province of British Columbia and by execution and delivery of this Agreement, each of the said parties hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of British Columbia.

## 1.4 Severability.

If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

## 1.5 Included Words.

Wherever the singular or the masculine is used herein the same shall be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.

## 1.6 Joint and Several.

All warranties and representation and all covenants and agreements made by the Obligants hereunder are made by them jointly and severally.



1.7 **Headings.**

The headings to the paragraphs of this Agreement are inserted for convenience only and shall not affect the construction hereof.

2. **TERMS OF LOAN**

2.1 **Loan.**

Subject to the terms and conditions of this Agreement, the Lender agrees to make the Loan available to the Borrower upon the Advance Date, provided that on the Advance Date:

- (a) the Borrower has executed and delivered this Agreement to the Lender;
- (b) the Borrower and the Guarantors have executed and delivered to the Lender the Security Documents.

2.2 **Purpose of Loan.**

The Loan will be made available for the purpose of being used by the Borrower for construction of the Tenant Improvements and for no other purpose whatsoever.

2.3 **Manner of Advance.**

Subject to the provisions hereof, the Loan will be advanced by the Lender to the Borrower on the Advance Date by way of a single advance.

2.4 **Calculation and Payment of Interest.**

The Borrower will be obligated to pay interest at the Interest Rate on the principal balance of the Loan from the Payment Commencement Date, until the Repayment Date until the Loan is repaid in full. The Borrower will pay monthly payments of blended interest and principal in accordance with and as set out in the mortgage amortization table attached as Schedule "B" with the first payment of interest and principal to be made on the Payment Commencement Date.

2.5 **Compliance with Interest Act (Canada).**

For the purposes of this Agreement, whenever any interest is calculated on the basis of a period of time other than a calendar year, each rate of interest pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be paid and divided by the number of days used as the basis for such determination.

2.6 **Repayment of Loan Amount.**

Subject to the provisions of paragraph 6.2 hereof, the Borrower will, without demand therefor, pay the Lender the Loan Amount then outstanding in full and without deduction, abatement or setoff, on that day which is the Repayment Date. ("Maturity").

**2.7            Prepayment.**

If the Borrower is not in default, the Borrower may prepay the whole or any part of the principal sum, without bonus or penalty.

**2.8            Application of Payments.**

Provided that no Event of Default has occurred and is outstanding, moneys paid to the Lender hereunder will be applied firstly on account of outstanding interest and thereafter in reduction of the outstanding principal balance of the Loan Amount. The Borrower agrees that upon and during the occurrence of an Event of Default the Lender may apply payments received by it hereunder on account of principal and interest in such manner as it sees fit.

**3.             SECURITY DOCUMENTS**

**3.1            Delivery.**

The Borrower and the Guarantor will execute and/or deliver the Security Documents to the Lender concurrently with their execution and delivery of this Agreement as general and continuing security for the payment, observance and performance of all and every indebtedness and liability, present and future, direct or indirect, absolute or contingent of the Borrower to the Lender arising under or pursuant to the Loan Documents.

**3.2            Limitation of Claim.**

The Lender, in realizing on the Security Documents or on the security thereof, shall not claim thereunder any greater amount in aggregate than the aggregate of the liabilities and indebtedness of the Borrower to the Lender under this Agreement.

**3.3            Extensions.**

The Lender may grant extensions, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower with other parties, sureties or securities as the Lender may see fit without prejudice to the liability of the Borrower or any other person or to the Lender's rights herein.

**3.4            No Merger.**

The Security Documents will not operate so as to create any merger or discharge of any indebtedness or liability of the Borrower hereunder, or of any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security of any form held or which may hereafter be held by the Lender from the Borrower or from any other person whomsoever.

**3.5            Waiver.**

The Lender may waive any Event of Default. No failure or delay on the part of the Lender to exercise any right, power or remedy given herein or by statute or at law or in equity or otherwise shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other exercise thereof or the exercise of any other right, power or remedy, nor shall any waiver by the Lender be deemed to be a waiver of any subsequent similar or other event.

### 3.6 Conflict Between this Agreement and the Security Documents.

If at any time there is any discrepancy or inconsistency between this Agreement and any of the Security Documents with respect to any matter or terms dealt with by both, the matter as dealt with by or under the terms of this Agreement, as applicable, shall prevail.

### 3.7 Further Security Documents.

The Borrower agrees to execute and deliver or cause to be executed and delivered to the Lender at any time and from time to time after the execution and delivery of this Agreement, such other security documents and supporting documents as the Lender may reasonably require to give effect to this Agreement. For clarity, where the Lender may reasonably require such further security documents from the Borrower, such further security provided shall stand in place and not in addition to, the existing security provided under Schedule B to this Agreement.

## 4. REPRESENTATIONS AND WARRANTIES

### 4.1 Representations and Warranties.

The Borrower represents and warrants to the Lender that:

- (a) **Incorporation Etc.** - it has been duly incorporated, validly exists and is in good standing under the jurisdiction of its incorporation and each jurisdiction where it carries on business;
- (b) **Jurisdiction** - it has been duly licensed to carry on business in all jurisdictions where it is carrying on business;
- (c) **Power and Authority** - it has the power and authority to enter into, execute and deliver and to keep, observe and perform all of the covenants, agreements and other obligations made by or imposed on it under each of the Loan Documents to which it is a party or by which it is bound; and
- (d) **Enforceable** - each of the Loan Documents to which it is a party or by which it is bound and every instrument or agreement delivered pursuant hereto and thereto has been or will be validly executed by it or on its behalf and when delivered to the Lender will be a legal, valid and binding obligation of it, enforceable in accordance with its respective terms save as enforcement may be limited by:
  - (i) applicable bankruptcy, insolvency, moratorium, reorganization and similar laws at the time in effect affecting the rights of creditors generally; and
  - (ii) equitable principles which may limit the availability of certain remedies, including the remedy of specific performance;
- (e) **No Contravention** - the execution, delivery and performance by it of the Loan Documents to which it is a party or by which it is bound will not contravene any material provision of any regulation, order or permit applicable to it, or cause a breach of or constitute a default under or require any consent under any agreement or instrument to which it is a party or by which it is bound except such

as have been obtained;

- (f) **No Litigation** - there are no suits or judicial proceedings or proceedings before any governmental commission, board or other agency, actual, pending or to its knowledge threatened against it which involve a significant risk of a judgment or liability which, if satisfied, would have an adverse effect upon its financial position or the ability to meet its obligations under this Agreement or to grant the Security Documents to which it is a party or by which it is bound;
- (g) **Essential Licences and Permits** - it has all licences and permits required to complete the Tenant Improvements and all other permits and licenses essential for the operation of its businesses as they are presently carried on and all such licences and permits are in full force and effect;
- (h) **No Default under other securities** - it is not in default under any guarantee, note or other instrument evidencing any indebtedness or under the terms of any instrument pursuant to which any of the foregoing has been issued or made and delivered and to its knowledge there exists no state of facts which, after notice or lapse of time or both or otherwise, would constitute such a default;
- (i) **Full Disclosure** - it has disclosed to the Lender in writing all facts (other than facts which are a matter of public knowledge or record) which materially adversely affect, or so far as it can now reasonably foresee, will materially adversely affect its ability to perform its obligations under any of the Loan Documents to which it a party or by which it is bound or instruments delivered pursuant hereto or thereto;
- (j) **No Events of Default** - no event is outstanding which constitutes, or with notice or lapse of time or both would constitute, an Event of Default;
- (k) **Ownership of Assets** - it is the beneficial owner of all of the property, assets and undertaking charged by the Security Documents to which it is a party and the beneficial owner of all of the property, assets and undertaking charged by the Security Documents by which it is bound.

#### 4.2 Survival of Representations, Etc.

All representations, warranties, covenants and agreements made herein and in any certificate or other document expressed to be delivered pursuant hereto by or on behalf of the Obligants, or any of them, are material and shall conclusively be deemed to have been relied upon by the Lender, notwithstanding any prior or subsequent investigation by the Lender and shall survive the advance of the Loan and the fulfilment of all other transactions and deliveries contemplated hereunder and shall continue in full force and effect so long as any of the Loan Amount remains outstanding and unpaid. All statements contained in any certificate or other document expressed to be delivered to the Lender or the Lender's counsel under this Agreement will be deemed to be representations and warranties by the person making the same.

## 5. COVENANTS

### 5.1 Continuing Covenants.

Subject to the terms of this Agreement, as long as any portion of the Loan Amount remains unpaid or any other obligation or liability of any nature owed to the Lender under any of the Loan Documents remains outstanding, the Borrower will:

- (a) **Pay Loan Amount** - pay the Loan Amount at the times and in the manner contemplated hereby and by the Security Documents to which it is a party or by which it is bound;
- (b) **Perform Other Obligations** - duly perform and observe each and all of their other covenants and agreements contained herein and in the Security Documents to which it is a party or by which it is bound;
- (c) **Corporate Existence** - at all times maintain its corporate existence, be registered or licensed to carry on business in all jurisdictions where the nature of its business makes it prudent for or requires it to be so registered or licensed;
- (d) **Conduct Business** - conduct its business in a proper and business-like manner and in accordance with good business practice;
- (e) **Taxes** - pay all taxes, rates, levies, charges, assessments, statute labour or other imposition whatsoever now or hereafter rated, charged, assessed, levied or imposed by any governmental authority or otherwise on any of its property, assets and undertakings;
- (f) **Use of Loan Proceeds** - use the proceeds of the Loan solely for the purposes described in paragraph 2.2 of this Agreement;
- (g) **Insurance** - at all times keep its assets adequately insured by financially sound and reputable insurers against loss or damage of the kinds customarily insured against, in such amounts as are customarily insured for, with the Lender shown as first loss payee in all policies and with such policies containing a mortgage clause acceptable to the Lender, and forthwith notify the Lender upon the happening of any significant loss and duly and punctually pay all premiums and other sums of money for maintaining such insurance; without limitation, the Borrower will obtain course of construction all risk insurance coverage for the purposes of completing the Tenant Improvement with the Lender being named as first loss payable;
- (h) **Inspection** - permit the Lender's representatives at any time and from time to time as the Lender sees fit, to inspect in the Premises to include, without limitation, for the purposes of inspecting the progress of the Tenant Improvements;
- (i) **Comply with Laws** - comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority, relating to their businesses;

- (j) **Maintain Licenses, Etc.** - maintain in full force and effect all licences, permits, consents and regulatory approvals necessary for the operation of any of its businesses and the construction of the Tenant Improvements;
- (k) **Records** - keep or cause to be kept proper records of all invoices and payment confirmations regarding the Tenant Improvements and to provide copies of the same to the Lender on demand.
- (l) **Notice of Default** - immediately upon becoming aware of the same, give to the Lender notice that there has occurred and is continuing an Event of Default under this Agreement or any event which would constitute an Event of Default hereunder with the lapse of time and specifying the same;
- (m) **Other Encumbrances** - unless otherwise previously agreed to in writing by the Lender, not create, assume or have outstanding any mortgage, pledge, charge, assignment or other security, whether fixed or floating, on any of its properties, assets or undertakings ranking or purporting to rank or capable of being enforced in priority to or pari passu with the Security Documents to which it is a party or by which it is bound;
- (n) **Litigation** - immediately advise the Lender in writing of any actions, suits, litigation or other proceeding against any of them or the Guarantor and actively and diligently contest or cause to be contested in good faith, by appropriate and timely proceedings any such action, suit, litigation or other proceeding.
- (o) **Further Assurances** - execute and deliver all such further instruments and assurances and do and cause to be done all such further acts and things which in the reasonable opinion of the Lender are necessary to complete the transactions contemplated by and to give full force and effect to the provisions of this Agreement, and, without limiting the generality of the foregoing, the Borrower agree to forthwith upon the request from time to time of the Lender grant in favour of the Lender such security and charges over their respective assets, real and personal, as the Lender may require.
- (p) **Financial Obligations** - Ensure that all of its financial obligations to include obligations to pay trades and subcontractors concerned with the construction of the Tenant Improvements are met;
- (q) **Financial Obligations** - Ensure that no financial encumbrances save for the Borrower's credit facility with Canadian Western Bank (or other chartered financial institution lender), and the general security agreement in favour of the Lender, are secured against the Premises to include without limitation, any claims of builders liens.

## 6. EVENTS OF DEFAULT AND REMEDIES

### 6.1 Events of Default.

Each of the following events constitutes an event of default under the Loan

Documents:

- (a) **Default in Payment** - if an Obligant defaults in the payment, when due, of any moneys due and payable to the Lender under or under any of the Loan Documents to which it a party or by which it is bound;
- (b) **Use of Loan Proceeds** - if the Borrower fails to use any of the Loan Amount for the purposes of constructing the Tenant Improvements;
- (c) **Non-Monetary Defaults** - if an Obligant makes, suffers or permits default in observing or performing any other covenant, agreement or condition of any Loan Document to which it is a party or by which it is bound;
- (d) **Misrepresentation** - if any representation or warranty made by an Obligant in any Loan Document to which it a party or by which it is bound proves to have been incorrect in any respect and it has an adverse impact on the business, affairs or assets of that Obligant;
- (e) **Bankruptcy, Etc.** - if an Obligant becomes insolvent, or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or a petition is filed, an order is made, a resolution is passed, or any other step is taken for its bankruptcy, liquidation, dissolution, winding-up or reorganization, or for any arrangement or composition of its debts;
- (f) **Realization under Security Documents** - if a receiver, receiver-manager or other officer with like powers is appointed or if an encumbrancer takes possession of any property of any Obligant or any part thereof; and
- (g) **Death, Incapacity** - if an Obligant should die or become incapable of managing his affairs or property.

### 6.2 Remedies For Events of Default.

Upon the occurrence of any Event of Default the Lender may do (or refrain from doing) any one or more of the following as it in its sole and absolute discretion deems advisable, namely:

- (a) declare the Loan Amount to be immediately due and payable and such moneys including any interest due and liabilities shall thereupon become due and be paid without presentment, demand, protest or other notice of any kind to the Borrower, all of which are expressly waived;
- (b) enforce any or all rights and remedies granted under this Agreement or any one or more of the Security Documents.

### 6.3 Waiver.

The Lender may, in its absolute discretion by written instrument, waive any breach by the Obligants of any of the provisions contained in any of the Loan Documents or any default by any of them in the observance or performance of any covenant or condition required to be observed or performed by any of them under the terms of any of the Loan Documents; provided always that no waiver by the Lender or any failure to take any action to enforce its rights under any of the Loan Documents shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or the rights resulting therefrom.

### 6.4 Remedies Not Restrictive.

All remedies stipulated for by the Lender under any of the Loan Documents shall be deemed to be in addition to and not restrictive of the remedies which the Lender might be entitled to at law or in equity or by statute. The Lender shall with commercially reasonable efforts, pursue all remedies and recourse against the Borrower and Joseph Richard Investment Ltd. for a period of six (6) months from the date of default of this Loan Agreement, prior to the realization of any security or collateral under the Loan Documents against Moreno or Bourque. Any such realization by any means shall not bar realization of any other security or any part or parts thereof subject to any restrictions in the Loan Documents, nor shall any single or partial exercise of any right or remedy preclude any other or further exercise thereof nor shall the failure on the part of the Lender or any delay in exercising any rights under any of the Loan Documents operate as a waiver.

## 7. MISCELLANEOUS

### 7.1 Lender's Records Conclusive

The Lender's records as to the balance of the Loan Amount outstanding at any point in time and the time, the payments made hereunder on account of the Loan and the amount of interest accruing hereunder will be final, binding and conclusive on all of them, absent manifest error. Notwithstanding the foregoing, if there is a dispute as to the then current balance of the Loan Amount, interest calculations, payments made, or any other matter relating to the Loan Amount, the matter shall be referred to an independent accountant mutually agreed upon by the parties, of whom shall review and audit if such accountant deems necessary, the Lender's records of the Loan Amount. The determination of such accountant will be final, binding and conclusive on the parties. The cost of such accountant review will be borne by the Borrower.

### 7.2 Fees and Expenses.

The Borrower agree to pay all legal and other fees and disbursements in respect of the Loan including the preparation, execution and carrying out of the Loan Documents. The full amount of all costs, charges and expenses paid or incurred at any time or from time to time by the Lender for or in respect of any and all acts, actions and proceedings of any kind or nature done, taken or instituted by the Lender for the exercise, enforcement or preservation of any of its rights, remedies or recourse hereunder or in respect of the Loan, will be paid by the Borrower on a solicitor and own client, lump sum basis.

### 7.3 Notice.

A notice, demand, consent or request required or permitted to be given pursuant



to any to any of the Loan Documents may only be given in writing and by delivery or by confirmed facsimile or electronic mail transmission to the address of such party set out below or at such other address as that party may designate by notice under this Agreement, as follows:

- (a) to any Obligant addressed to that Obligant at:  
8410 – 160<sup>th</sup> Street, Surrey, BC V3S 3T8
- (b) to the Lender addressed to the Lender at:  
8247 – 130<sup>th</sup> Street, Surrey, BC V3S 3T8 with a copy to Suite 215, 13737 – 72<sup>nd</sup>  
Avenue, Surrey, BC V3W 2P2

Any notice aforesaid shall, if actually delivered be deemed to have been given and made at the time of delivery and if sent by facsimile device or electronic mail will be deemed to have been given or made on the day in the jurisdiction of the sender following the date it was sent.

#### 7.4 No Borrower' Assignment.

The Borrower has no right to assign or transfer any of their rights hereunder or any portion of the Loan.

#### 7.5 Enurement.

This Agreement shall be binding upon and enure to the benefit of the Borrower and their respective successors and permitted assigns and the Lender and its successors and assigns.

#### 7.6 Time.

Time is expressly declared and stipulated to be of the essence of this Agreement in respect of all payments to be made hereunder and all covenants and agreements to be performed and fulfilled. Any extension of time hereunder shall not be deemed to be or to operate in law as a waiver on the part of the Lender that time is to be of the essence of this Agreement.

#### 7.7 Counterparts.

This Agreement may be executed by the parties hereto in counterparts and such executed counterparts when taken together shall together form one original Agreement.

#### 7.8 General.

If at any time any provision of this Loan Agreement in whole or in part is declared or held illegal, invalid or unenforceable under, or inconsistent with any applicable law or would by reason of any such law render the Lender unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Loan Agreement which it would otherwise be able to collect, then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid, unenforceable or inconsistent or would so render the Lender unable to collect any such loss, and this Loan Agreement will continue in full force and effect and be construed as if it had been executed without such illegal, invalid, unenforceable or inconsistent provision.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed and delivered by their authorized officers as of the date first noted above.

**0911110 B.C. LTD.**

by its authorized signatory:

*Kulwant Sangha*  
~~KULWANT SANGHA~~ KULWANT SANGHA

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

by its authorized signatory

*Ryan Richard Moreno*  
Ryan Richard Moreno

**JOSEPH RICHARD INVESTMENTS LTD.**

by its authorized signatory:

*Ryan Richard Moreno*  
Ryan Richard Moreno

SIGNED, SEALED and DELIVERED by  
**RYAN RICHARD MORENO** in the  
presence of:

*Brian C. Man*  
Signature

**Brian C. Man**

Barrister & Solicitor  
Print Name **HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**

#1450 - 13401 108th Avenue,  
Address **Surrey, BC, V3T 5T3**

Occupation

*Ryan Richard Moreno*  
RYAN RICHARD MORENO



**SCHEDULE "A"**  
**SECURITY DOCUMENTS**

- A. Unconditional Guarantee of the Loan Amount given to the Lender by:
- (i) Joseph Richard Investments Ltd.;
  - (ii) Ryan Richard Moreno; and
  - (iii) Andre Bourque.
- B. General Security Agreement given to the Lender by the Borrower

**SCHEDULE "B"**

**Mortgage Amortization Table Attached**

MORTGAGE AMORTIZATION TABLE

Mortgage Identification: Sulo Asjan Kitchen
Mortgage Amount: \$400,000
First Payment Date: 01-Feb-2020
Nominal Annual Interest Rate: 7.750%
Compounding Period: Semi-Annual (Canadian)
Payment Frequency: Monthly
Amortization (months): 72
Assumed Interest Adjustment Date: 01-Jan-2020
Payment - Monthly: \$6,940.82
Effective - Monthly Interest Rate: 0.6356462%
Amortization in Years: 6.00

Table with 9 columns: Year No., Year, Monthly Pymt No., Date, Opening Balance (\$), P & I Payment (\$), Interest (\$), Principal Pay-Down (\$), Closing Balance (\$), % Paid Down. Rows 1-72 showing monthly amortization details.

# hamilton duncan

Brian Man  
bcm@hdas.com

t 604 581.4677  
f 604 581.5947

Our File No. 19236006

October 30, 2019

Binpal & Associates  
Suite 215 – 13737 72<sup>nd</sup> Avenue  
Surrey, BC V3W 2P2

**Attention: Raj Binpal**

Dear Sirs/Mesdames:

**Re: 0911110 B.C. Ltd. (the "Lender") Loan to Sudo Asian Kitchen Holdings (Langley) Ltd. (the "Borrower")**

Further to the above noted matter, please find enclosed the following fully executed documents:

1. Loan Agreement;
2. Guarantee given by Ryan Richard Moreno;
3. Guarantee given by Andre Bourque;
4. Corporate Guarantee of Joseph Richard Investments Ltd. ("JRI");
5. Certified Resolutions given by directors of JRI;
6. Resolution given by directors of the Borrower;
7. Officer Certificate given by the director of the Borrower;
8. Officer Certificate given by the director of JRI;
9. Solicitors Opinion given with respect to JRI;
10. Solicitors Opinion given with respect to the Borrower;
11. Authority to Pay; and
12. Certificate of Solicitor with respect to the Borrower and JRI.

We also enclose the executed Second Lease Modification Agreement, and general security agreement with Insurance Binder to follow.

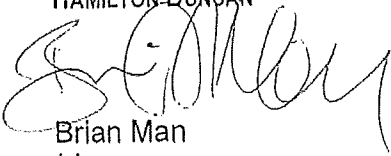
**(Collectively all of the foregoing, the "Documents")**

We enclose the Documents on your undertaking that, in the event that the Loan does not fund, for whatever reason, to return the Documents on demand forthwith.

We trust you will find the enclosed in order. Please contact our office if you have any questions.

Yours truly,

HAMILTON DUNCAN



Brian Man  
/nkm  
Encl.



## LOAN AGREEMENT

**THIS LOAN AGREEMENT** dated for reference October 30, 2019 and made,

**BETWEEN:**

**0911110 B.C. Ltd.** (BC0911110), a British Columbia incorporated company having its registered and records office situated at Suite 215 – 13737 – 72<sup>nd</sup> Avenue, Surrey, BC V3W 2P2 (as to an undivided 1/2 interest), and

(the “Lender”)

**AND:**

**Sudo Asian Kitchen Holdings (Langley) Ltd.** (Inc. No. BC1091888), a British Columbia incorporated company having its registered and records office situated at 1450, 13401 – 108<sup>th</sup> Avenue, Surrey, BC V3T 5T3, and

(the “Borrower”)

**AND:**

**Joseph Richard Investments Ltd.** (Inc. No. BC952989), a British Columbia incorporated company having its registered and records office situated at 1450, 13401 – 108<sup>th</sup> Avenue, Surrey, BC V3T 5T3, and (“JRI”)

**Ryan Moreno**, of 1268 – 216 Street, Langley, BC V2Z 1R2, and

(“Moreno”)

**Andre Bourque**, of 8343 – 209A Street, Langley, BC V2Y 0A5

(“Bourque”)

(collectively JRI, Moreno and Bourque are the “Guarantor”)

### WITNESSES THAT WHEREAS:

- A. The Lender has agreed to make the Loan hereinafter described available to the Borrower to complete construction of tenant improvements at the premises known by the civic addresses 111-114, 19233 Fraser Highway, Surrey BC V3S 7C9, and more particularly described in the Lease hereafter defined.
- B. The parties wish to record the terms and conditions of the Loan.

**THEREFORE** in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

# 1. INTERPRETATION

## 1.1 Definitions.

Where used in this Agreement, each of the following words and phrases shall have the meanings set out below:

- (a) "**Advance Date**" means the date on which the Loan is advanced by the Lender to the Borrower hereunder;
- (b) "**Agreement**" and "**this Agreement**" mean this agreement and any amendments hereto or replacements of restatements hereof from time to time;
- (c) "**Banking Day**" means a day, excluding Saturday and Sunday, on which banking institutions are open for business in Vancouver, British Columbia;
- (d) "**Borrower**" means Sudo Asian Kitchen Holdings (Langley) Ltd.;
- (e) "**\$Cdn**" means lawful money of Canada;
- (f) "**Event of Default**" has the meaning given to it in paragraph 6.1 hereof;
- (g) "**Guarantor**" means collectively Joseph Richard Investments Ltd., Richard Ryan Moreno and Andre Bourque and their heirs, executors, administrators, successors and assigns;
- (h) "**Interest Rate**" means seven and three quarters percent (7.75%) per annum calculated monthly, not in advance, from January 1, 2020, up to the Repayment Date;
- (i) "**Lease**" means the lease made as of April 12, 2017, as modified from time to time between the Lender as landlord, the Borrower as tenant and Joseph Richard Investments Ltd. as indemnitor pursuant to which the Borrower leased the Premises from the Landlord;
- (j) "**Loan**" means the sum of \$400,000;
- (k) "**Loan Amount**" at any point in time means the outstanding principal balance of the Loan, interest and all other moneys then due owing by the Borrower to the Lender under this Agreement or any of the Security Documents;
- (l) "**Loan Documents**" means this Agreement and the Security Documents;
- (m) "**Obligants**" means the Borrower and the Guarantor and each of them is an "**Obligant**";
- (n) "**Payment Commencement Date**" means February 1, 2020;

- (o) “**Premises**” means the premises known by the civic addresses 111-114, 19233 Fraser Highway, Surrey, BC V3S 7C9, and more particularly described in the Lease;
- (p) “**Principal Sum Secured**” means the Loan Amount;
- (q) “**Repayment Date**” means January 31, 2026;
- (r) “**Security Documents**” means the security documents described in Schedule “A”;
- (s) “**Tenant Improvements**” means all the tenant improvements to be instructed upon the Premises by the Borrower in accordance with the plans and as per the specifications approved by the Lender and for which sole purpose the Loan is being provided to the Borrower.

## 1.2 **Currency.**

All references to dollars or currency in this Agreement are to \$Cdn.

## 1.3 **Applicable Law.**

This Agreement and the rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereto agree that any legal action or proceedings against any of them with respect to any of the Loan Documents may be brought in the courts of the Province of British Columbia and by execution and delivery of this Agreement, each of the said parties hereby irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of British Columbia.

## 1.4 **Severability.**

If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

## 1.5 **Included Words.**

Wherever the singular or the masculine is used herein the same shall be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.

## 1.6 **Joint and Several.**

All warranties and representation and all covenants and agreements made by the Obligants hereunder are made by them jointly and severally.

1.7 **Headings.**

The headings to the paragraphs of this Agreement are inserted for convenience only and shall not affect the construction hereof.

2. **TERMS OF LOAN**

2.1 **Loan.**

Subject to the terms and conditions of this Agreement, the Lender agrees to make the Loan available to the Borrower upon the Advance Date, provided that on the Advance Date:

- (a) the Borrower has executed and delivered this Agreement to the Lender;
- (b) the Borrower and the Guarantors have executed and delivered to the Lender the Security Documents.

2.2 **Purpose of Loan.**

The Loan will be made available for the purpose of being used by the Borrower for construction of the Tenant Improvements and for no other purpose whatsoever.

2.3 **Manner of Advance.**

Subject to the provisions hereof, the Loan will be advanced by the Lender to the Borrower on the Advance Date by way of a single advance.

2.4 **Calculation and Payment of Interest.**

The Borrower will be obligated to pay interest at the Interest Rate on the principal balance of the Loan from the Payment Commencement Date, until the Repayment Date until the Loan is repaid in full. The Borrower will pay monthly payments of blended interest and principal in accordance with and as set out in the mortgage amortization table attached as Schedule "B" with the first payment of interest and principal to be made on the Payment Commencement Date.

2.5 **Compliance with Interest Act (Canada).**

For the purposes of this Agreement, whenever any interest is calculated on the basis of a period of time other than a calendar year, each rate of interest pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be paid and divided by the number of days used as the basis for such determination.

2.6 **Repayment of Loan Amount.**

Subject to the provisions of paragraph 6.2 hereof, the Borrower will, without demand therefor, pay the Lender the Loan Amount then outstanding in full and without deduction, abatement or setoff, on that day which is the Repayment Date. ("Maturity").

**2.7           Prepayment.**

If the Borrower is not in default, the Borrower may prepay the whole or any part of the principal sum, without bonus or penalty.

**2.8           Application of Payments.**

Provided that no Event of Default has occurred and is outstanding, moneys paid to the Lender hereunder will be applied firstly on account of outstanding interest and thereafter in reduction of the outstanding principal balance of the Loan Amount. The Borrower agrees that upon and during the occurrence of an Event of Default the Lender may apply payments received by it hereunder on account of principal and interest in such manner as it sees fit.

**3.            SECURITY DOCUMENTS**

**3.1           Delivery.**

The Borrower and the Guarantor will execute and/or deliver the Security Documents to the Lender concurrently with their execution and delivery of this Agreement as general and continuing security for the payment, observance and performance of all and every indebtedness and liability, present and future, direct or indirect, absolute or contingent of the Borrower to the Lender arising under or pursuant to the Loan Documents.

**3.2           Limitation of Claim.**

The Lender, in realizing on the Security Documents or on the security thereof, shall not claim thereunder any greater amount in aggregate than the aggregate of the liabilities and indebtedness of the Borrower to the Lender under this Agreement.

**3.3           Extensions.**

The Lender may grant extensions, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower with other parties, sureties or securities as the Lender may see fit without prejudice to the liability of the Borrower or any other person or to the Lender's rights herein.

**3.4           No Merger.**

The Security Documents will not operate so as to create any merger or discharge of any indebtedness or liability of the Borrower hereunder, or of any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security of any form held or which may hereafter be held by the Lender from the Borrower or from any other person whomsoever.

**3.5           Waiver.**

The Lender may waive any Event of Default. No failure or delay on the part of the Lender to exercise any right, power or remedy given herein or by statute or at law or in equity or otherwise shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any other exercise thereof or the exercise of any other right, power or remedy, nor shall any waiver by the Lender be deemed to be a waiver of any subsequent similar or other event.

### 3.6 Conflict Between this Agreement and the Security Documents.

If at any time there is any discrepancy or inconsistency between this Agreement and any of the Security Documents with respect to any matter or terms dealt with by both, the matter as dealt with by or under the terms of this Agreement, as applicable, shall prevail.

### 3.7 Further Security Documents.

The Borrower agrees to execute and deliver or cause to be executed and delivered to the Lender at any time and from time to time after the execution and delivery of this Agreement, such other security documents and supporting documents as the Lender may reasonably require to give effect to this Agreement. For clarity, where the Lender may reasonably require such further security documents from the Borrower, such further security provided shall stand in place and not in addition to, the existing security provided under Schedule B to this Agreement.

## 4. REPRESENTATIONS AND WARRANTIES

### 4.1 Representations and Warranties.

The Borrower represents and warrants to the Lender that:

- (a) **Incorporation Etc.** - it has been duly incorporated, validly exists and is in good standing under the jurisdiction of its incorporation and each jurisdiction where it carries on business;
- (b) **Jurisdiction** - it has been duly licensed to carry on business in all jurisdictions where it is carrying on business;
- (c) **Power and Authority** - it has the power and authority to enter into, execute and deliver and to keep, observe and perform all of the covenants, agreements and other obligations made by or imposed on it under each of the Loan Documents to which it is a party or by which it is bound; and
- (d) **Enforceable** - each of the Loan Documents to which it is a party or by which it is bound and every instrument or agreement delivered pursuant hereto and thereto has been or will be validly executed by it or on its behalf and when delivered to the Lender will be a legal, valid and binding obligation of it, enforceable in accordance with its respective terms save as enforcement may be limited by:
  - (i) applicable bankruptcy, insolvency, moratorium, reorganization and similar laws at the time in effect affecting the rights of creditors generally; and
  - (ii) equitable principles which may limit the availability of certain remedies, including the remedy of specific performance;
- (e) **No Contravention** - the execution, delivery and performance by it of the Loan Documents to which it is a party or by which it is bound will not contravene any material provision of any regulation, order or permit applicable to it, or cause a breach of or constitute a default under or require any consent under any agreement or instrument to which it is a party or by which it is bound except such

as have been obtained;

- (f) **No Litigation** - there are no suits or judicial proceedings or proceedings before any governmental commission, board or other agency, actual, pending or to its knowledge threatened against it which involve a significant risk of a judgment or liability which, if satisfied, would have an adverse effect upon its financial position or the ability to meet its obligations under this Agreement or to grant the Security Documents to which it is a party or by which it is bound;
- (g) **Essential Licences and Permits** - it has all licences and permits required to complete the Tenant Improvements and all other permits and licenses essential for the operation of its businesses as they are presently carried on and all such licences and permits are in full force and effect;
- (h) **No Default under other securities** - it is not in default under any guarantee, note or other instrument evidencing any indebtedness or under the terms of any instrument pursuant to which any of the foregoing has been issued or made and delivered and to its knowledge there exists no state of facts which, after notice or lapse of time or both or otherwise, would constitute such a default;
- (i) **Full Disclosure** - it has disclosed to the Lender in writing all facts (other than facts which are a matter of public knowledge or record) which materially adversely affect, or so far as it can now reasonably foresee, will materially adversely affect its ability to perform its obligations under any of the Loan Documents to which it a party or by which it is bound or instruments delivered pursuant hereto or thereto;
- (j) **No Events of Default** - no event is outstanding which constitutes, or with notice or lapse of time or both would constitute, an Event of Default;
- (k) **Ownership of Assets** - it is the beneficial owner of all of the property, assets and undertaking charged by the Security Documents to which it is a party and the beneficial owner of all of the property, assets and undertaking charged by the Security Documents by which it is bound.

#### 4.2 **Survival of Representations, Etc.**

All representations, warranties, covenants and agreements made herein and in any certificate or other document expressed to be delivered pursuant hereto by or on behalf of the Obligants, or any of them, are material and shall conclusively be deemed to have been relied upon by the Lender, notwithstanding any prior or subsequent investigation by the Lender and shall survive the advance of the Loan and the fulfilment of all other transactions and deliveries contemplated hereunder and shall continue in full force and effect so long as any of the Loan Amount remains outstanding and unpaid. All statements contained in any certificate or other document expressed to be delivered to the Lender or the Lender's counsel under this Agreement will be deemed to be representations and warranties by the person making the same.

## 5. COVENANTS

### 5.1 Continuing Covenants.

Subject to the terms of this Agreement, as long as any portion of the Loan Amount remains unpaid or any other obligation or liability of any nature owed to the Lender under any of the Loan Documents remains outstanding, the Borrower will:

- (a) **Pay Loan Amount** - pay the Loan Amount at the times and in the manner contemplated hereby and by the Security Documents to which it is a party or by which it is bound;
- (b) **Perform Other Obligations** - duly perform and observe each and all of their other covenants and agreements contained herein and in the Security Documents to which it is a party or by which it is bound;
- (c) **Corporate Existence** - at all times maintain its corporate existence, be registered or licensed to carry on business in all jurisdictions where the nature of its business makes it prudent for or requires it to be so registered or licensed;
- (d) **Conduct Business** - conduct its business in a proper and business-like manner and in accordance with good business practice;
- (e) **Taxes** - pay all taxes, rates, levies, charges, assessments, statute labour or other imposition whatsoever now or hereafter rated, charged, assessed, levied or imposed by any governmental authority or otherwise on any of its property, assets and undertakings;
- (f) **Use of Loan Proceeds** - use the proceeds of the Loan solely for the purposes described in paragraph 2.2 of this Agreement;
- (g) **Insurance** - at all times keep its assets adequately insured by financially sound and reputable insurers against loss or damage of the kinds customarily insured against, in such amounts as are customarily insured for, with the Lender shown as first loss payee in all policies and with such policies containing a mortgage clause acceptable to the Lender, and forthwith notify the Lender upon the happening of any significant loss and duly and punctually pay all premiums and other sums of money for maintaining such insurance; without limitation, the Borrower will obtain course of construction all risk insurance coverage for the purposes of completing the Tenant Improvement with the Lender being named as first loss payable;
- (h) **Inspection** - permit the Lender's representatives at any time and from time to time as the Lender sees fit, to inspect in the Premises to include, without limitation, for the purposes of inspecting the progress of the Tenant Improvements;
- (i) **Comply with Laws** - comply with the requirements of all applicable laws, rules, regulations and orders of any governmental authority, relating to their businesses;



- (j) **Maintain Licenses, Etc.** - maintain in full force and effect all licences, permits, consents and regulatory approvals necessary for the operation of any of its businesses and the construction of the Tenant Improvements;
- (k) **Records** - keep or cause to be kept proper records of all invoices and payment confirmations regarding the Tenant Improvements and to provide copies of the same to the Lender on demand.
- (l) **Notice of Default** - immediately upon becoming aware of the same, give to the Lender notice that there has occurred and is continuing an Event of Default under this Agreement or any event which would constitute an Event of Default hereunder with the lapse of time and specifying the same;
- (m) **Other Encumbrances** - unless otherwise previously agreed to in writing by the Lender, not create, assume or have outstanding any mortgage, pledge, charge, assignment or other security, whether fixed or floating, on any of its properties, assets or undertakings ranking or purporting to rank or capable of being enforced in priority to or pari passu with the Security Documents to which it is a party or by which it is bound;
- (n) **Litigation** - immediately advise the Lender in writing of any actions, suits, litigation or other proceeding against any of them or the Guarantor and actively and diligently contest or cause to be contested in good faith, by appropriate and timely proceedings any such action, suit, litigation or other proceeding.
- (o) **Further Assurances** - execute and deliver all such further instruments and assurances and do and cause to be done all such further acts and things which in the reasonable opinion of the Lender are necessary to complete the transactions contemplated by and to give full force and effect to the provisions of this Agreement, and, without limiting the generality of the foregoing, the Borrower agree to forthwith upon the request from time to time of the Lender grant in favour of the Lender such security and charges over their respective assets, real and personal, as the Lender may require.
- (p) **Financial Obligations** - Ensure that all of its financial obligations to include obligations to pay trades and subcontractors concerned with the construction of the Tenant Improvements are met;
- (q) **Financial Obligations** - Ensure that no financial encumbrances save for the Borrower's credit facility with Canadian Western Bank (or other chartered financial institution lender), and the general security agreement in favour of the Lender, are secured against the Premises to include without limitation, any claims of builders liens.

## 6. EVENTS OF DEFAULT AND REMEDIES

### 6.1 Events of Default.

Each of the following events constitutes an event of default under the Loan

Documents:

- (a) **Default in Payment** - if an Obligant defaults in the payment, when due, of any moneys due and payable to the Lender under or under any of the Loan Documents to which it a party or by which it is bound;
- (b) **Use of Loan Proceeds** - if the Borrower fails to use any of the Loan Amount for the purposes of constructing the Tenant Improvements;
- (c) **Non-Monetary Defaults** - if an Obligant makes, suffers or permits default in observing or performing any other covenant, agreement or condition of any Loan Document to which it is a party or by which it is bound;
- (d) **Misrepresentation** - if any representation or warranty made by an Obligant in any Loan Document to which it a party or by which it is bound proves to have been incorrect in any respect and it has an adverse impact on the business, affairs or assets of that Obligant;
- (e) **Bankruptcy, Etc.** - if an Obligant becomes insolvent, or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or a petition is filed, an order is made, a resolution is passed, or any other step is taken for its bankruptcy, liquidation, dissolution, winding-up or reorganization, or for any arrangement or composition of its debts;
- (f) **Realization under Security Documents** - if a receiver, receiver-manager or other officer with like powers is appointed or if an encumbrancer takes possession of any property of any Obligant or any part thereof; and
- (g) **Death, Incapacity** - if an Obligant should die or become incapable of managing his affairs or property.

### 6.2 Remedies For Events of Default.

Upon the occurrence of any Event of Default the Lender may do (or refrain from doing) any one or more of the following as it in its sole and absolute discretion deems advisable, namely:

- (a) declare the Loan Amount to be immediately due and payable and such moneys including any interest due and liabilities shall thereupon become due and be paid without presentment, demand, protest or other notice of any kind to the Borrower, all of which are expressly waived;
- (b) enforce any or all rights and remedies granted under this Agreement or any one or more of the Security Documents.

### 6.3 Waiver.

The Lender may, in its absolute discretion by written instrument, waive any breach by the Obligants of any of the provisions contained in any of the Loan Documents or any default by any of them in the observance or performance of any covenant or condition required to be observed or performed by any of them under the terms of any of the Loan Documents; provided always that no waiver by the Lender or any failure to take any action to enforce its rights under any of the Loan Documents shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or the rights resulting therefrom.

### 6.4 Remedies Not Restrictive.

All remedies stipulated for by the Lender under any of the Loan Documents shall be deemed to be in addition to and not restrictive of the remedies which the Lender might be entitled to at law or in equity or by statute. The Lender shall with commercially reasonable efforts, pursue all remedies and recourse against the Borrower and Joseph Richard Investment Ltd. for a period of six (6) months from the date of default of this Loan Agreement, prior to the realization of any security or collateral under the Loan Documents against Moreno or Bourque. Any such realization by any means shall not bar realization of any other security or any part or parts thereof subject to any restrictions in the Loan Documents, nor shall any single or partial exercise of any right or remedy preclude any other or further exercise thereof nor shall the failure on the part of the Lender or any delay in exercising any rights under any of the Loan Documents operate as a waiver.

## 7. MISCELLANEOUS

### 7.1 Lender's Records Conclusive

The Lender's records as to the balance of the Loan Amount outstanding at any point in time and the time, the payments made hereunder on account of the Loan and the amount of interest accruing hereunder will be final, binding and conclusive on all of them, absent manifest error. Notwithstanding the foregoing, if there is a dispute as to the then current balance of the Loan Amount, interest calculations, payments made, or any other matter relating to the Loan Amount, the matter shall be referred to an independent accountant mutually agreed upon by the parties, of whom shall review and audit if such accountant deems necessary, the Lender's records of the Loan Amount. The determination of such accountant will be final, binding and conclusive on the parties. The cost of such accountant review will be borne by the Borrower.

### 7.2 Fees and Expenses.

The Borrower agree to pay all legal and other fees and disbursements in respect of the Loan including the preparation, execution and carrying out of the Loan Documents. The full amount of all costs, charges and expenses paid or incurred at any time or from time to time by the Lender for or in respect of any and all acts, actions and proceedings of any kind or nature done, taken or instituted by the Lender for the exercise, enforcement or preservation of any of its rights, remedies or recourse hereunder or in respect of the Loan, will be paid by the Borrower on a solicitor and own client, lump sum basis.

### 7.3 Notice.

A notice, demand, consent or request required or permitted to be given pursuant

to any to any of the Loan Documents may only be given in writing and by delivery or by confirmed facsimile or electronic mail transmission to the address of such party set out below or at such other address as that party may designate by notice under this Agreement, as follows:

- (a) to any Obligant addressed to that Obligant at:  
8410 – 160<sup>th</sup> Street, Surrey, BC V3S 3T8
- (b) to the Lender addressed to the Lender at:  
8247 – 130<sup>th</sup> Street, Surrey, BC V3S 3T8 with a copy to Suite 215, 13737 – 72<sup>nd</sup>  
Avenue, Surrey, BC V3W 2P2

Any notice aforesaid shall, if actually delivered be deemed to have been given and made at the time of delivery and if sent by facsimile device or electronic mail will be deemed to have been given or made on the day in the jurisdiction of the sender following the date it was sent.

#### 7.4 No Borrower' Assignment.

The Borrower has no right to assign or transfer any of their rights hereunder or any portion of the Loan.

#### 7.5 Enurement.

This Agreement shall be binding upon and enure to the benefit of the Borrower and their respective successors and permitted assigns and the Lender and its successors and assigns.

#### 7.6 Time.

Time is expressly declared and stipulated to be of the essence of this Agreement in respect of all payments to be made hereunder and all covenants and agreements to be performed and fulfilled. Any extension of time hereunder shall not be deemed to be or to operate in law as a waiver on the part of the Lender that time is to be of the essence of this Agreement.

#### 7.7 Counterparts.

This Agreement may be executed by the parties hereto in counterparts and such executed counterparts when taken together shall together form one original Agreement.

#### 7.8 General.

If at any time any provision of this Loan Agreement in whole or in part is declared or held illegal, invalid or unenforceable under, or inconsistent with any applicable law or would by reason of any such law render the Lender unable to collect the amount of any loss sustained by it as a result of making the loan secured by this Loan Agreement which it would otherwise be able to collect, then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid, unenforceable or inconsistent or would so render the Lender unable to collect any such loss, and this Loan Agreement will continue in full force and effect and be construed as if it had been executed without such illegal, invalid, unenforceable or inconsistent provision.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed and delivered by their authorized officers as of the date first noted above.

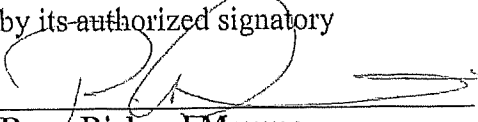
**0911110 B.C. LTD.**

by its authorized signatory:

\_\_\_\_\_  
**KULVIR AUJLA**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

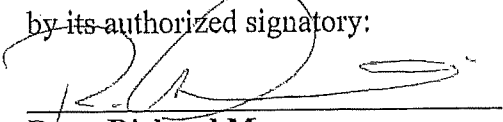
by its authorized signatory



\_\_\_\_\_  
**Ryan Richard Moreno**

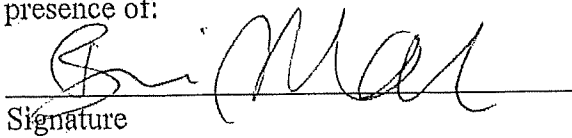
**JOSEPH RICHARD INVESTMENTS LTD.**

by its authorized signatory:



\_\_\_\_\_  
**Ryan Richard Moreno**

SIGNED, SEALED and DELIVERED by  
**RYAN RICHARD MORENO** in the  
presence of:



\_\_\_\_\_  
Signature

**Brian C. Man**

\_\_\_\_\_  
Print Name **Barrister & Solicitor**  
**HAMILTON DUNCAN ARMSTRONG**  
**+ STEWART LAW CORPORATION**  
\_\_\_\_\_  
#1450 - 13401 108th Avenue,


Address **Surrey, BC, V3T 5T3**

\_\_\_\_\_  
Occupation



\_\_\_\_\_  
**RYAN RICHARD MORENO**

SIGNED, SEALED and DELIVERED by  
ANDRE BOURQUE in the presence of:

  
Signature

Print Name **Brian C. Man**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
**\* STEWART LAW CORPORATION**  
Address #1450 - 13401 108th Avenue,  
Surrey, BC, V3T 5T3  
Occupation

  
ANDRE BOURQUE

**SCHEDULE "A"**  
**SECURITY DOCUMENTS**

- A. Unconditional Guarantee of the Loan Amount given to the Lender by:
- (i) Joseph Richard Investments Ltd.;
  - (ii) Ryan Richard Moreno; and
  - (iii) Andre Bourque.
- B. General Security Agreement given to the Lender by the Borrower

**SCHEDULE "B"**

**Mortgage Amortization Table Attached**



MORTGAGE AMORTIZATION TABLE

Mortgage Identification:	Sudo Asian Kitchen	Assumed Interest Adjustment Date:	01-Jan-2020
Mortgage Amount:	\$400,000	Payment - Monthly:	\$6,940.82
First Payment Date:	01-Feb-2020	Effective - Monthly Interest Rate:	0.6356462%
Nominal Annual Interest Rate:	7.750%	Amortization in Years:	6.00
Compounding Period:	Semi-Annual (Canadian)		
Payment Frequency:	Monthly		
Amortization (months):	72		

Year No.	Year	Monthly Pymt No.	Date	Opening Balance (\$)	P & I Payment (\$)	Interest (\$)	Principal Pay-Down (\$)	Closing Balance (\$)	% Paid Down
1	2020	1	Feb-2020	400,000.00	6,940.82	2,542.58	4,398.23	395,601.77	1.10%
	2020	2	Mar-2020	395,601.77	6,940.82	2,514.63	4,426.19	391,175.58	2.21%
	2020	3	Apr-2020	391,175.58	6,940.82	2,486.49	4,454.32	386,721.25	3.32%
	2020	4	May-2020	386,721.25	6,940.82	2,458.18	4,482.64	382,238.62	4.44%
	2020	5	Jun-2020	382,238.62	6,940.82	2,429.69	4,511.13	377,727.49	5.57%
	2020	6	Jul-2020	377,727.49	6,940.82	2,401.01	4,539.81	373,187.68	6.70%
	2020	7	Aug-2020	373,187.68	6,940.82	2,372.15	4,568.66	368,619.02	7.85%
	2020	8	Sep-2020	368,619.02	6,940.82	2,343.11	4,597.70	364,021.31	8.99%
	2020	9	Oct-2020	364,021.31	6,940.82	2,313.89	4,626.93	359,394.38	10.15%
	2020	10	Nov-2020	359,394.38	6,940.82	2,284.48	4,656.34	354,738.04	11.32%
	2020	11	Dec-2020	354,738.04	6,940.82	2,254.88	4,685.94	350,052.11	12.49%
	2021	12	Jan-2021	350,052.11	6,940.82	2,225.09	4,715.72	345,336.38	13.67%
	2021	13	Feb-2021	345,336.38	6,940.82	2,195.12	4,745.70	340,590.68	14.85%
	2021	14	Mar-2021	340,590.68	6,940.82	2,164.95	4,775.86	335,814.82	16.05%
	2021	15	Apr-2021	335,814.82	6,940.82	2,134.59	4,806.22	331,008.59	17.25%
	2021	16	May-2021	331,008.59	6,940.82	2,104.04	4,836.77	326,171.82	18.46%
	2021	17	Jun-2021	326,171.82	6,940.82	2,073.30	4,867.52	321,304.30	19.67%
	2021	18	Jul-2021	321,304.30	6,940.82	2,042.36	4,898.46	316,405.85	20.90%
	2021	19	Aug-2021	316,405.85	6,940.82	2,011.22	4,929.59	311,476.25	22.13%
	2021	20	Sep-2021	311,476.25	6,940.82	1,979.89	4,960.93	306,515.32	23.37%
	2021	21	Oct-2021	306,515.32	6,940.82	1,948.35	4,992.46	301,522.86	24.62%
	2021	22	Nov-2021	301,522.86	6,940.82	1,916.62	5,024.20	296,498.66	25.88%
	2021	23	Dec-2021	296,498.66	6,940.82	1,884.68	5,056.13	291,442.53	27.14%
	2022	24	Jan-2022	291,442.53	6,940.82	1,852.54	5,088.27	286,354.25	28.41%
	2022	25	Feb-2022	286,354.25	6,940.82	1,820.20	5,120.62	281,233.64	29.69%
	2022	26	Mar-2022	281,233.64	6,940.82	1,787.65	5,153.17	276,080.47	30.98%
	2022	27	Apr-2022	276,080.47	6,940.82	1,754.89	5,185.92	270,894.55	32.28%
	2022	28	May-2022	270,894.55	6,940.82	1,721.93	5,218.89	265,675.66	33.58%
	2022	29	Jun-2022	265,675.66	6,940.82	1,688.76	5,252.06	260,423.60	34.89%
	2022	30	Jul-2022	260,423.60	6,940.82	1,655.37	5,285.44	255,138.16	36.22%
	2022	31	Aug-2022	255,138.16	6,940.82	1,621.78	5,319.04	249,819.12	37.55%
	2022	32	Sep-2022	249,819.12	6,940.82	1,587.97	5,352.85	244,466.27	38.88%
	2022	33	Oct-2022	244,466.27	6,940.82	1,553.94	5,386.88	239,079.39	40.23%
	2022	34	Nov-2022	239,079.39	6,940.82	1,519.70	5,421.12	233,658.27	41.59%
	2022	35	Dec-2022	233,658.27	6,940.82	1,485.24	5,455.58	228,202.70	42.95%
	2023	36	Jan-2023	228,202.70	6,940.82	1,450.56	5,490.25	222,712.44	44.32%
	2023	37	Feb-2023	222,712.44	6,940.82	1,415.66	5,525.15	217,187.29	45.70%
	2023	38	Mar-2023	217,187.29	6,940.82	1,380.54	5,560.27	211,627.01	47.09%
	2023	39	Apr-2023	211,627.01	6,940.82	1,345.20	5,595.62	206,031.40	48.49%
	2023	40	May-2023	206,031.40	6,940.82	1,309.63	5,631.19	200,400.21	49.90%
	2023	41	Jun-2023	200,400.21	6,940.82	1,273.84	5,666.98	194,733.23	51.32%
	2023	42	Jul-2023	194,733.23	6,940.82	1,237.81	5,703.00	189,030.23	52.74%
	2023	43	Aug-2023	189,030.23	6,940.82	1,201.56	5,739.25	183,290.98	54.18%
	2023	44	Sep-2023	183,290.98	6,940.82	1,165.08	5,775.73	177,515.24	55.62%
	2023	45	Oct-2023	177,515.24	6,940.82	1,128.37	5,812.45	171,702.79	57.07%
	2023	46	Nov-2023	171,702.79	6,940.82	1,091.42	5,849.39	165,853.40	58.54%
	2023	47	Dec-2023	165,853.40	6,940.82	1,054.24	5,886.58	159,966.82	60.01%
	2024	48	Jan-2024	159,966.82	6,940.82	1,016.82	5,923.99	154,042.83	61.49%
	2024	49	Feb-2024	154,042.83	6,940.82	979.17	5,961.65	148,081.18	62.98%
	2024	50	Mar-2024	148,081.18	6,940.82	941.27	5,999.54	142,081.64	64.48%
	2024	51	Apr-2024	142,081.64	6,940.82	903.14	6,037.68	136,043.96	65.99%
	2024	52	May-2024	136,043.96	6,940.82	864.76	6,076.06	129,967.90	67.51%
	2024	53	Jun-2024	129,967.90	6,940.82	826.14	6,114.68	123,853.22	69.04%
	2024	54	Jul-2024	123,853.22	6,940.82	787.27	6,153.55	117,699.67	70.58%
	2024	55	Aug-2024	117,699.67	6,940.82	748.15	6,192.66	111,507.01	72.12%
	2024	56	Sep-2024	111,507.01	6,940.82	708.79	6,232.03	105,274.98	73.68%
	2024	57	Oct-2024	105,274.98	6,940.82	669.18	6,271.64	99,003.34	75.25%
	2024	58	Nov-2024	99,003.34	6,940.82	629.31	6,311.51	92,691.83	76.83%
	2024	59	Dec-2024	92,691.83	6,940.82	589.19	6,351.62	86,340.21	78.41%
	2025	60	Jan-2025	86,340.21	6,940.82	548.82	6,392.00	79,948.21	80.01%
	2025	61	Feb-2025	79,948.21	6,940.82	508.19	6,432.63	73,515.58	81.62%
	2025	62	Mar-2025	73,515.58	6,940.82	467.30	6,473.52	67,042.06	83.24%
	2025	63	Apr-2025	67,042.06	6,940.82	426.15	6,514.67	60,527.40	84.87%
	2025	64	May-2025	60,527.40	6,940.82	384.74	6,556.08	53,973.32	86.51%
	2025	65	Jun-2025	53,973.32	6,940.82	343.07	6,597.75	47,373.57	88.16%
	2025	66	Jul-2025	47,373.57	6,940.82	301.13	6,639.69	40,733.88	89.82%
	2025	67	Aug-2025	40,733.88	6,940.82	258.92	6,681.89	34,051.99	91.49%
	2025	68	Sep-2025	34,051.99	6,940.82	216.45	6,724.37	27,327.62	93.17%
	2025	69	Oct-2025	27,327.62	6,940.82	173.71	6,767.11	20,560.51	94.86%
	2025	70	Nov-2025	20,560.51	6,940.82	130.69	6,810.12	13,750.39	96.56%
	2025	71	Dec-2025	13,750.39	6,940.82	87.40	6,853.41	6,896.98	98.28%
	2026	72	Jan-2026	6,896.98	6,940.82	43.84	6,896.98	0.00	100.00%
	2026	73	Feb-2026	0.00	6,940.82	0.00	6,940.82	0.00	100.00%

## GUARANTEE

THIS GUARANTEE effective as of October 3<sup>rd</sup>, 2019, is made by RYAN MORENO (the "Guarantor") and delivered to and for the benefit of 0911110 B.C. LTD. (the "Lender").

### WHEREAS:

- A. Pursuant to a loan agreement dated October 3<sup>rd</sup>, 2019 between SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. (the "Borrower") and the Lender, the Lender agreed to advance a loan to the Borrower for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC, and on the terms and conditions as set out therein (collectively, the "Indebtedness");
- B. The Guarantor has agreed to provide a guarantee of the Indebtedness as a condition of the advance of the Indebtedness; and
- C. The Guarantor deems it advisable and necessary to enter into this Guarantee.

In consideration of the premises and the covenants and agreements herein contained, and the sum of \$1.00 now paid by the Lender to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants and agrees with the Lender as follows:

## ARTICLE 1 GUARANTEE

### 1.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees payment and performance to the Lender of all present and future obligations, debts and liabilities, direct or indirect, absolute or contingent, express or implied, liquidated, matured or not, now or at anytime and from time to time hereafter due or owing by the Borrower to the Lender under the Indebtedness, including without limitation any indemnity obligation thereunder (collectively, the "Obligations").

### 1.2 Guarantee Absolute

The liability of the Guarantor hereunder will be absolute and unconditional and will not be affected by: (a) any lack of validity or enforceability of any other agreement between the Borrower and the Lender; (b) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of government; (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower, the Guarantor, the Lender, or any party to any agreement to which the Borrower is a party; (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of the Borrower in its obligations to the Lender; or (e) any other law, regulation or other circumstances which might otherwise constitute a defence available to, or a discharge of, the Borrower or the Guarantor in respect of any or all of the Obligations.

**ARTICLE 2  
RELEASE, REMEDIES AND SET-OFF**

**2.1           No Release**

The liability of the Guarantor hereunder will not be discharged, limited, released or in any way affected by anything done, suffered or permitted by the Lender in connection with any liabilities of the Borrower to the Lender or any security therefor including any loss of or in respect of any security received by the Lender from the Borrower or others, whether occasioned by the fault of the Lender or otherwise. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, without obtaining the consent of or giving notice to the Guarantor, the Lender may: (i) make any change in the time, manner or place of payment under, or in any other term of, the Indebtedness, or the failure on the part of the Borrower to carry out any of its obligations under the Indebtedness; (ii) grant time, renewals, extensions, indulgences, releases and discharges to Borrower; (iii) take or abstain from taking or enforcing security or collateral from Borrower or from perfecting security or collateral of the Borrower; (iv) accept compromises from Borrower; (v) apply all money at any time received from the Borrower or from security upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and (vi) otherwise deal with the Borrower and all other persons and security as the Lender may see fit.

**2.2           Exhaustion of Remedies**

The Lender shall with commercially reasonable efforts, pursue all remedies, and take all recourse against the Borrower and Joseph Richard Investment Ltd., for a period of six (6) months from the date of default of the Obligations, before being entitled to demand payment from the Guarantor hereunder. For clarity, the Lender shall be bound to take any and all action, pursue all claims, make all demands, and realize upon or seize any security or collateral it may hold, against the Borrower and Joseph Richard Investment Ltd., before any demand for payment from the Guarantor hereunder may be made. The Lender shall not be entitled to a security interest in the personal property of the Guarantor.

**2.3           No Set-off**

The Guarantor will not claim any set-off or counterclaim against the Borrower or the Lender in respect of any liability of the Borrower or the Lender to the Guarantor.

**ARTICLE 3  
CONTINUING GUARANTEE**

**3.1           Continuing Guarantee**

This Guarantee will be a continuing guarantee and will cover and secure any ultimate balance of the Obligations owing to the Lender.

**ARTICLE 4  
DEMAND FOR PAYMENT**

**4.1           Demand for Payment**

The Guarantor will make payment to the Lender of the Obligations immediately after demand therefor is made by the Lender to the Guarantor.

**ARTICLE 5  
GENERAL**

**5.1            No Assignment**

The Guarantor may not assign or transfer its rights, interests or obligations hereunder to any other person (except by operation of law) without prior written consent of the Lender and any purported transfer without such consent shall be null and void.

**5.2            Waiver of Notice of Acceptance**

The Guarantor hereby waives notice of acceptance of this instrument.

**5.3            No Waiver**

No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

**5.4            Severability**

If any provision of this Guarantee is determined to be illegal, invalid or unenforceable in whole or in part, such illegality, invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

**5.5            Notices**

Any notice or other communications required or permitted to be given hereunder shall be sufficiently given if delivered in person or by prepaid courier service, or if sent by facsimile transmission (provided such transmission is confirmed) or electronic mail:

- (a)    in the case of the Lender, to the following address:  
215, 13737 – 72 Avenue, Surrey, BC V3W 2P2  
Facsimile No: 604-543-0331
- (b)    in the case of the Guarantor, to the Guarantor at the following address:  
8343 – 209A Street, Langley, BC V2Y 0A5  
Facsimile No: \_\_\_\_\_  
Email: \_\_\_\_\_

or at such other address as the party to which such notice or other communication is to be given has last notified the party giving the same in the manner provided in this section, and if so given the same shall be deemed to have been received on the date of such delivery or sending. A notice is deemed to be delivered and received: (i) if sent by personal delivery, on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; (ii) if sent by same-day service courier, on the date of delivery if sent on a business day and delivery was made prior to 5:00 p.m. (local time in place of receipt) and otherwise on the next business day; (iii) if sent by overnight courier, on the next business day; (iv) if transmitted by facsimile, on the date of confirmation of transmission by the originating facsimile if such confirmation is on a business day and prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; or (v) if transmitted by electronic mail, on the date of transmission if sent on a business day and the communication becomes accessible to the receiving party prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day. Sending a copy of a notice to a party's legal counsel as contemplated above is for information purposes

only and does not constitute delivery of the notice to that party. The failure to send a copy of a notice to legal counsel does not invalidate any notice to a party.

**5.6 Governing Law**

This Guarantee will be governed by and construed in accordance with the laws of the Province of British Columbia.

**5.7 Benefit**

This Guarantee will extend to and enure to the benefit of the Lender and its heirs, administrators, executors, legal personal representatives, successors and assigns, as applicable, and will be binding upon the Guarantor and his or her heirs, administrators, executors and legal personal representatives.

**5.8 Remedies Cumulative**

All the rights, powers and remedies of the Lender hereunder and under any other agreement now or at any time hereafter in force between any of the Lender and the Guarantor will be cumulative and will be in addition to and not in substitution for all rights, powers and remedies of the Lender at law or in equity.

**5.9 Entire Agreement**

This Guarantee supersedes all prior agreements, commitments or understandings between the Guarantor and the Lender with respect to the subject matter hereof, constitutes the entire obligations of the Guarantor with respect to the subject matter hereof and shall supersede any prior expression of intent or understandings with respect to the subject matter hereof.

**5.10 No Assurances or Inducements**

There are no representations, warranties, terms, conditions, promises, undertakings or agreements, expressed, implied or otherwise, that have been made to or with the Guarantor affecting or limiting the liability of the Guarantor under this Guarantee or inducing the Guarantor to give this Guarantee other than as expressly set forth in this Guarantee. No alteration, modification or waiver of this Guarantee or any condition, covenant, provision or term contained herein will be binding on the Guarantor or the Lender unless made in writing and signed by the Guarantor and the Lender.

**5.11 Independent Legal Advice**

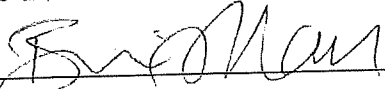
The Guarantor acknowledges and agrees that it has or has had the opportunity to obtain independent legal advice and fully understand, and appreciate, the obligations and liabilities imposed on them pursuant to this Guarantee.

*[Next page is signature page]*

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date set forth set out above.

SIGNED, SEALED and DELIVERED by  
**RYAN RICHARD MORENO** in the  
presence of:

  
\_\_\_\_\_  
RYAN RICHARD MORENO

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name **Brian C. Man**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
Address **+ STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC, V3T 5T3

\_\_\_\_\_  
Occupation

## GUARANTEE

THIS GUARANTEE effective as of October 20, 2019, is made by ANDRE BOURQUE (the "Guarantor") and delivered to and for the benefit of 0911110 B.C. LTD. (the "Lender").

### WHEREAS:

- A. Pursuant to a loan agreement dated October 20, 2019 between SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. (the "Borrower") and the Lender, the Lender agreed to advance a loan to the Borrower for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC, and on the terms and conditions as set out therein (collectively, the "Indebtedness");
- B. The Guarantor has agreed to provide a guarantee of the Indebtedness as a condition of the advance of the Indebtedness; and
- C. The Guarantor deems it advisable and necessary to enter into this Guarantee.

In consideration of the premises and the covenants and agreements herein contained, and the sum of \$1.00 now paid by the Lender to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants and agrees with the Lender as follows:

## ARTICLE 1 GUARANTEE

### 1.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees payment and performance to the Lender of all present and future obligations, debts and liabilities, direct or indirect, absolute or contingent, express or implied, liquidated, matured or not, now or at anytime and from time to time hereafter due or owing by the Borrower to the Lender under the Indebtedness, including without limitation any indemnity obligation thereunder (collectively, the "Obligations").

### 1.2 Guarantee Absolute

The liability of the Guarantor hereunder will be absolute and unconditional and will not be affected by: (a) any lack of validity or enforceability of any other agreement between the Borrower and the Lender; (b) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of government; (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower, the Guarantor, the Lender, or any party to any agreement to which the Borrower is a party; (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of the Borrower in its obligations to the Lender; or (e) any other law, regulation or other circumstances which might otherwise constitute a defence available to, or a discharge of, the Borrower or the Guarantor in respect of any or all of the Obligations.

**ARTICLE 2  
RELEASE, REMEDIES AND SET-OFF**

**2.1           No Release**

The liability of the Guarantor hereunder will not be discharged, limited, released or in any way affected by anything done, suffered or permitted by the Lender in connection with any liabilities of the Borrower to the Lender or any security therefor including any loss of or in respect of any security received by the Lender from the Borrower or others, whether occasioned by the fault of the Lender or otherwise. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, without obtaining the consent of or giving notice to the Guarantor, the Lender may: (i) make any change in the time, manner or place of payment under, or in any other term of, the Indebtedness, or the failure on the part of the Borrower to carry out any of its obligations under the Indebtedness; (ii) grant time, renewals, extensions, indulgences, releases and discharges to Borrower; (iii) take or abstain from taking or enforcing security or collateral from Borrower or from perfecting security or collateral of the Borrower; (iv) accept compromises from Borrower; (v) apply all money at any time received from the Borrower or from security upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and (vi) otherwise deal with the Borrower and all other persons and security as the Lender may see fit.

**2.2           Exhaustion of Remedies**

The Lender shall with commercially reasonable efforts, pursue all remedies, and take all recourse against the Borrower and Joseph Richard Investment Ltd., for a period of six (6) months from the date of default of the Obligations, before being entitled to demand payment from the Guarantor hereunder. For clarity, the Lender shall be bound to take any and all action, pursue all

claims, make all demands, and realize upon or seize any security or collateral it may hold, against the Borrower and Joseph Richard Investment Ltd., before any demand for payment from the Guarantor hereunder may be made. The Lender shall not be entitled to a security interest in the personal property of the Guarantor.

**2.3           No Set-off**

The Guarantor will not claim any set-off or counterclaim against the Borrower or the Lender in respect of any liability of the Borrower or the Lender to the Guarantor.

**ARTICLE 3  
CONTINUING GUARANTEE**

**3.1           Continuing Guarantee**

This Guarantee will be a continuing guarantee and will cover and secure any ultimate balance of the Obligations owing to the Lender.

**ARTICLE 4  
DEMAND FOR PAYMENT**

**4.1           Demand for Payment**

The Guarantor will make payment to the Lender of the Obligations immediately after demand therefor is made by the Lender to the Guarantor.



**ARTICLE 5  
GENERAL**

**5.1            No Assignment**

The Guarantor may not assign or transfer its rights, interests or obligations hereunder to any other person (except by operation of law) without prior written consent of the Lender and any purported transfer without such consent shall be null and void.

**5.2            Waiver of Notice of Acceptance**

The Guarantor hereby waives notice of acceptance of this instrument.

**5.3            No Waiver**

No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

**5.4            Severability**

If any provision of this Guarantee is determined to be illegal, invalid or unenforceable in whole or in part, such illegality, invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

**5.5            Notices**

Any notice or other communications required or permitted to be given hereunder shall be sufficiently given if delivered in person or by prepaid courier service, or if sent by facsimile transmission (provided such transmission is confirmed) or electronic mail:

- (a)        in the case of the Lender, to the following address:  
215, 13737 – 72 Avenue, Surrey, BC V3W 2P2  
Facsimile No: 604-543-0331
  
- (b)        in the case of the Guarantor, to the Guarantor at the following address:  
8343 – 209A Street, Langley, BC V2Y 0A5  
Facsimile No: \_\_\_\_\_  
Email: \_\_\_\_\_

or at such other address as the party to which such notice or other communication is to be given has last notified the party giving the same in the manner provided in this section, and if so given the same shall be deemed to have been received on the date of such delivery or sending. A notice is deemed to be delivered and received: (i) if sent by personal delivery, on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; (ii) if sent by same-day service courier, on the date of delivery if sent on a business day and delivery was made prior to 5:00 p.m. (local time in place of receipt) and otherwise on the next business day; (iii) if sent by overnight courier, on the next business day; (iv) if transmitted by facsimile, on the date of confirmation of transmission by the originating facsimile if such confirmation is on a business day and prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; or (v) if transmitted by electronic mail, on the date of transmission if sent on a business day and the communication becomes accessible to the receiving party prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day. Sending a copy of a notice to a party's legal counsel as contemplated above is for information purposes

only and does not constitute delivery of the notice to that party. The failure to send a copy of a notice to legal counsel does not invalidate any notice to a party.

**5.6 Governing Law**

This Guarantee will be governed by and construed in accordance with the laws of the Province of British Columbia.

**5.7 Benefit**

This Guarantee will extend to and enure to the benefit of the Lender and its heirs, administrators, executors, legal personal representatives, successors and assigns, as applicable, and will be binding upon the Guarantor and his or her heirs, administrators, executors and legal personal representatives.

**5.8 Remedies Cumulative**

All the rights, powers and remedies of the Lender hereunder and under any other agreement now or at any time hereafter in force between any of the Lender and the Guarantor will be cumulative and will be in addition to and not in substitution for all rights, powers and remedies of the Lender at law or in equity.

**5.9 Entire Agreement**

This Guarantee supersedes all prior agreements, commitments or understandings between the Guarantor and the Lender with respect to the subject matter hereof, constitutes the entire obligations of the Guarantor with respect to the subject matter hereof and shall supersede any prior expression of intent or understandings with respect to the subject matter hereof.

**5.10 No Assurances or Inducements**

There are no representations, warranties, terms, conditions, promises, undertakings or agreements, expressed, implied or otherwise, that have been made to or with the Guarantor affecting or limiting the liability of the Guarantor under this Guarantee or inducing the Guarantor to give this Guarantee other than as expressly set forth in this Guarantee. No alteration, modification or waiver of this Guarantee or any condition, covenant, provision or term contained herein will be binding on the Guarantor or the Lender unless made in writing and signed by the Guarantor and the Lender.

**5.11 Independent Legal Advice**

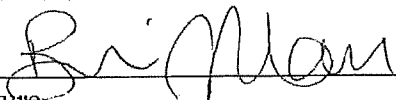
The Guarantor acknowledges and agrees that it has or has had the opportunity to obtain independent legal advice and fully understand, and appreciate, the obligations and liabilities imposed on them pursuant to this Guarantee.

*[Next page is signature page]*

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date set forth set out above.

SIGNED, SEALED and DELIVERED by  
ANDRE JOSEPH BOURQUE in the  
presence of:

Signature



Print Name

**Brian C. Man**

Barrister & Solicitor


**HAMILTON DUNCAN ARMSTRONG**

**+ STEWART LAW CORPORATION**

Address

#1450 - 13401 108th Avenue,  
Surrey, BC, V3T 5T3

Occupation

  
ANDRE JOSEPH BOURQUE

## GUARANTEE

THIS GUARANTEE effective as of October 20, 2019, is made by JOSEPH RICHARD INVESTMENTS LTD. (the "Guarantor") and delivered to and for the benefit of 0911110 B.C. LTD. (the "Lender").

### WHEREAS:

- A. Pursuant to a loan agreement dated October 20, 2019 between SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. (the "Borrower") and the Lender, the Lender agreed to advance a loan to the Borrower for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC, and on the terms and conditions as set out therein (collectively, the "Indebtedness");
- B. The Guarantor has agreed to provide a guarantee of the Indebtedness as a condition of the advance of the Indebtedness; and
- C. The Guarantor deems it advisable and necessary to enter into this Guarantee.

In consideration of the premises and the covenants and agreements herein contained, and the sum of \$1.00 now paid by the Lender to the Guarantor and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants and agrees with the Lender as follows:

## ARTICLE 1 GUARANTEE

### 1.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees payment and performance to the Lender of all present and future obligations, debts and liabilities, direct or indirect, absolute or contingent, express or implied, liquidated, matured or not, now or at anytime and from time to time hereafter due or owing by the Borrower to the Lender under the Indebtedness, including without limitation any indemnity obligation thereunder (collectively, the "Obligations").

### 1.2 Guarantee Absolute

The liability of the Guarantor hereunder will be absolute and unconditional and will not be affected by: (a) any lack of validity or enforceability of any other agreement between the Borrower and the Lender; (b) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of government; (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower, the Guarantor, the Lender, or any party to any agreement to which the Borrower is a party; (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of the Borrower in its obligations to the Lender; or (e) any other law, regulation or other circumstances which might otherwise constitute a defence available to, or a discharge of, the Borrower or the Guarantor in respect of any or all of the Obligations.

**ARTICLE 2  
RELEASE, REMEDIES AND SET-OFF**

**2.1           No Release**

The liability of the Guarantor hereunder will not be discharged, limited, released or in any way affected by anything done, suffered or permitted by the Lender in connection with any liabilities of the Borrower to the Lender or any security therefor including any loss of or in respect of any security received by the Lender from the Borrower or others, whether occasioned by the fault of the Lender or otherwise. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, without obtaining the consent of or giving notice to the Guarantor, the Lender may: (i) make any change in the time, manner or place of payment under, or in any other term of, the Indebtedness, or the failure on the part of the Borrower to carry out any of its obligations under the Indebtedness; (ii) grant time, renewals, extensions, indulgences, releases and discharges to Borrower; (iii) take or abstain from taking or enforcing security or collateral from Borrower or from perfecting security or collateral of the Borrower; (iv) accept compromises from Borrower; (v) apply all money at any time received from the Borrower or from security upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and (vi) otherwise deal with the Borrower and all other persons and security as the Lender may see fit.

**2.2           No Exhaustion of Remedies**

The Lender will not be bound or obligated to exhaust its recourse against the Borrower or any other person or any security or collateral it may hold or take any other action (other than to make demand pursuant to Section 4.1 herein) before being entitled to demand payment from the Guarantor hereunder.

**2.3           No Set-off**

The Guarantor will not claim any set-off or counterclaim against the Borrower or the Lender in respect of any liability of the Borrower or the Lender to the Guarantor.

**ARTICLE 3  
CONTINUING GUARANTEE**

**3.1           Continuing Guarantee**

This Guarantee will be a continuing guarantee and will cover and secure any ultimate balance of the Obligations owing to the Lender.

**ARTICLE 4  
DEMAND FOR PAYMENT**

**4.1           Demand for Payment**

The Guarantor will make payment to the Lender of the Obligations immediately after demand therefor is made by the Lender to the Guarantor.

**ARTICLE 5  
GENERAL**

**5.1            No Assignment**

The Guarantor may not assign or transfer its rights, interests or obligations hereunder to any other person (except by operation of law) without prior written consent of the Lender and any purported transfer without such consent shall be null and void.

**5.2            Waiver of Notice of Acceptance**

The Guarantor hereby waives notice of acceptance of this instrument.

**5.3            No Waiver**

No failure on the part of the Lender to exercise, and no delay in exercising, any right hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right.

**5.4            Severability**

If any provision of this Guarantee is determined to be illegal, invalid or unenforceable in whole or in part, such illegality, invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

**5.5            Notices**

Any notice or other communications required or permitted to be given hereunder shall be sufficiently given if delivered in person or by prepaid courier service, or if sent by facsimile transmission (provided such transmission is confirmed) or electronic mail:

- (a)    in the case of the Lender, to the following address:  
215, 13737 - 72 Avenue, Surrey, BC V3W 2P2  
 Facsimile No: 604-543-0331
  
- (b)    in the case of the Guarantor, to the Guarantor at the following address:  
1450, 13401 - 108 Avenue, Surrey, BC V3T5T3  
 Facsimile No: \_\_\_\_\_  
 Email: \_\_\_\_\_

or at such other address as the party to which such notice or other communication is to be given has last notified the party giving the same in the manner provided in this section, and if so given the same shall be deemed to have been received on the date of such delivery or sending. A notice is deemed to be delivered and received: (i) if sent by personal delivery, on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; (ii) if sent by same-day service courier, on the date of delivery if sent on a business day and delivery was made prior to 5:00 p.m. (local time in place of receipt) and otherwise on the next business day; (iii) if sent by overnight courier, on the next business day; (iv) if transmitted by facsimile, on the date of confirmation of transmission by the originating facsimile if such confirmation is on a business day and prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next business day; or (v) if transmitted by electronic mail, on the date of transmission if sent on a business day and the communication becomes accessible to the receiving party prior to 5:00 p.m. (local time in the place of

receipt) and otherwise on the next business day. Sending a copy of a notice to a party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that party. The failure to send a copy of a notice to legal counsel does not invalidate any notice to a party.

**5.6 Governing Law**

This Guarantee will be governed by and construed in accordance with the laws of the Province of British Columbia.

**5.7 Benefit**

This Guarantee will extend to and enure to the benefit of the Lender and its heirs, administrators, executors, legal personal representatives, successors and assigns, as applicable, and will be binding upon the Guarantor and his or her heirs, administrators, executors and legal personal representatives.

**5.8 Remedies Cumulative**

All the rights, powers and remedies of the Lender hereunder and under any other agreement now or at any time hereafter in force between any of the Lender and the Guarantor will be cumulative and will be in addition to and not in substitution for all rights, powers and remedies of the Lender at law or in equity.

**5.9 Entire Agreement**

This Guarantee supersedes all prior agreements, commitments or understandings between the Guarantor and the Lender with respect to the subject matter hereof, constitutes the entire obligations of the Guarantor with respect to the subject matter hereof and shall supersede any prior expression of intent or understandings with respect to the subject matter hereof.

**5.10 No Assurances or Inducements**

There are no representations, warranties, terms, conditions, promises, undertakings or agreements, expressed, implied or otherwise, that have been made to or with the Guarantor affecting or limiting the liability of the Guarantor under this Guarantee or inducing the Guarantor to give this Guarantee other than as expressly set forth in this Guarantee. No alteration, modification or waiver of this Guarantee or any condition, covenant, provision or term contained herein will be binding on the Guarantor or the Lender unless made in writing and signed by the Guarantor and the Lender.

**5.11 Independent Legal Advice**

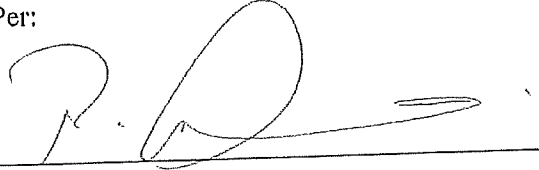
The Guarantor acknowledges and agrees that it has or has had the opportunity to obtain independent legal advice and fully understand, and appreciate, the obligations and liabilities imposed on them pursuant to this Guarantee.

*[Next page is signature page]*

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date set forth set out above.

**JOSEPH RICHARD INVESTMENTS LTD.**

Per:

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a large, looped 'D' and a long horizontal stroke extending to the right.

**Authorized Signatory**



CERTIFIED COPY OF RESOLUTIONS  
of the Directors of  
**JOSEPH RICHARD INVESTMENTS LTD.**  
(the "Company")

**"WHEREAS:**

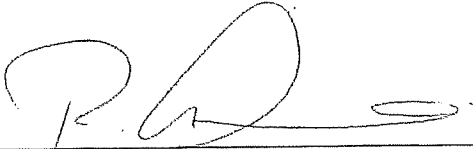
- A. By virtue of the *Business Corporations Act* (British Columbia) and the Articles of the Company, the Company may from time to time borrow, guarantee and secure the payment of money so borrowed by the granting of mortgages and other securities and the directors of the Company are authorized to grant mortgages and other debt security instruments by way of security;
- B. The Company wishes to guarantee the debts and liabilities of SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. (the "Borrower") and to perform the obligations of the Borrower to 0911110 B.C. LTD. (the "Lender"), pursuant to the loan agreement dated October 20, 2019, between the Borrower, the Lender, the Company, Ryan Moreno and Andre Borque, with respect to a loan of \$400,000.00 (the "Loan") provided by the Lender to the Borrower for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC.
- C. As a condition of granting of the Loan, the Lender requires that the Company grant, execute and deliver to the Lender the Loan Agreement, a guarantee agreement, and such other security as the Lender or the solicitor for the Lender requires in relation to the Loan (collectively, the "Security").
- D. The Directors of the Company consider it desirable and in the best interests of the Company that the Company provide assistance to the Borrower and to provide the Security to the Lender so as to enable the Borrower to obtain the Loan from the Lender.

**BE IT RESOLVED THAT:**

1. The Company's acceptance of the Loan Agreement is hereby ratified, approved and confirmed.
2. The Company execute and deliver the Security to the Lender, in the form presented to and hereby approved by the Directors.
3. The President and/or Secretary of the Company are hereby authorized for and on behalf of and in the name of the Company to execute and deliver the Security with such alterations, additions, amendments and deletions as same may be approved by the President and/or the Secretary, whether under the common seal of the Company or otherwise, and execution accordingly shall be conclusive evidence of such approval, and to create, execute and deliver all other instruments and writings, whether under the common seal of the Company or otherwise, and to perform and do all such other acts and things as that party or parties in their discretion may consider to be necessary, desirable or useful for the purpose of giving effect to these resolutions or as may be required by the Lender for such purpose, and the execution and delivery of the Security and all other instruments and writings shall be conclusive proof that they are the instruments authorized by these resolutions."

**I HEREBY CERTIFY** that the foregoing is a true and correct copy of the resolutions duly passed, adopted and approved by all the Directors of the Company on the 30 day of October, 2019, and that the said resolutions have not been rescinded or amended, are in full force and effect, and were adopted pursuant to the provisions contained in the constating documents of the Company.

**DATED** as of the 30 day of October, 2019.

  
\_\_\_\_\_  
Name: *Ryan Moreno*  
Title: *Principal*

DIRECTORS' RESOLUTIONS of  
SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.  
(the "Company")

**WHEREAS:**


- A. By virtue of the *Business Corporations Act* (British Columbia) and the Articles of the Company, the Company may from time to time borrow, guarantee and secure the payment of money so borrowed by the granting of mortgages and other securities and the directors of the Company are authorized to grant mortgages and other debt security instruments by way of security;
- B. The Company wishes to obtain a loan for the construction of tenant improvements at the premises described as Unit 111 – 114, 19233 Fraser Hwy, Surrey, BC (the "Property").
- C. 0911110 B.C. LTD. (the "Lender") has agreed to lend up to \$400,000.00 (the "Loan") to the Company and the terms of the Loan are as set out in the loan agreement dated October \_\_, 2019, between the Company, the Lender, Joseph Richard Investments Ltd., Ryan Moreno and Andre Bourque, as same may be amended, supplemented, extended, restated or replaced from time to time in writing, (the "Loan Agreement"), which the Company has accepted.
- D. As a condition of granting of the Loan, the Lender requires that the Company grant, execute and deliver to the Lender the Loan Agreement, a general security agreement, and such other security as the Lender or the solicitor for the Lender requires in relation to the Loan (collectively, the "Security").
- E. The Directors of the Company consider it desirable and in the best interests of the Company that the Company obtain the Loan and provide the Security to the Lender in order to obtain the Loan.

**BE IT RESOLVED THAT:**

1. The Company's acceptance of the Loan Agreement is hereby ratified, approved and confirmed.
2. The Company borrow the Loan from the Lender in accordance with the Loan Agreement.
3. The Company execute and deliver the Security to the Lender, in the form presented to and hereby approved by the directors.
4. The President and/or Secretary of the Company are hereby authorized for and on behalf of and in the name of the Company to execute and deliver the Security with such alterations, additions, amendments and deletions as same may be approved by the President and/or the Secretary, whether under the common seal of the Company or otherwise, and execution accordingly shall be conclusive evidence of such approval, and to create, execute and deliver all other instruments and writings, whether under the common seal of the Company or otherwise, and to perform and do all such other acts and things as that party or parties in their discretion may consider to be necessary, desirable or useful for the purpose of giving effect to these resolutions or as may be required by the Lender for such purpose, and the execution and delivery of the Security and all other instruments and writings shall be conclusive proof that they are the instruments authorized by these resolutions.

The undersigned, being all the directors of the Company, hereby consent to the foregoing resolutions.

DATED as of the 30 day of October, 2019.

  
\_\_\_\_\_  
RYAN MORENO

**OFFICER'S CERTIFICATE**

**To:**           **0911110 B.C. LTD.**  
 Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
 Surrey, British Columbia, V3W 2P2

**And to:**       **Binpal & Associates**  
 Barristers and Solicitors  
 Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
 Surrey, British Columbia, V3W 2P2

I, the undersigned, HEREBY CERTIFY that on the date of closing I will be a director of SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. (the "Company") and as such have personal knowledge of the matters herein stated, and that each of the statements set out in this Certificate is true, complete and accurate to the best of my knowledge.

1.           Documents. This Certificate is delivered in connection with the following security documents dated of even date herewith executed and delivered by the Company as security for repayment of a loan (the "Loan") requested by the Company from 0911110 B.C. LTD. (the "Lender") together with certain related documents, including without limitation:
  - (a)    a Loan Agreement;
  - (b)    a General Security Agreement;
 (collectively, the "Security and Other Documents").
2.           Understanding of Documents. I have reviewed and understand the nature and effect of each of the Security and Other Documents.
3.           Company Representations. Each of the representations, warranties and statements made by the Company in the Security and Other Documents is true, complete and accurate in all material respects.
4.           No Collateral Representations. The Company is not relying upon any statement, representation, warranty, undertaking or agreement of the Lender or any of its officers, employees or agents other than those agreements (if any) expressly set out in the Security and Other Documents.
5.           No Default. The Company is not in default under any document securing or evidencing any indebtedness or liability of the Company, nor has any event occurred which may become a default of the Company thereunder with the passage of time or the giving of notice or both.
6.           No Adverse Action. No litigation, investigation, proceeding or appeal is pending or threatened against the Company or in respect of property in which the Company has an interest. The Company is not aware of any material claim against or material contingent liability of the Company. No judgment, order, writ, injunction, demand, decree or award of any court, arbitrator or administrative or governmental body is presently outstanding against the Company. No proceedings have been commenced or are threatened to condemn, expropriate, purchase or otherwise acquire the Lands or any material portion of the other assets of the Company.
7.           No Receivership, Bankruptcy or Dissolution. No receiver, receiver manager or similar official has been appointed in respect of any of the Company's assets. The Company has not filed a proposal, a notice of intention to file a proposal or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation. No petition has been filed, no order has been made, no

resolution has been passed, nor has any other step been taken for the bankruptcy, liquidation, dissolution, winding-up or reorganization of the Company or for the arrangement or composition of the Company's debts.

8. Directors' Authority. Under the constating documents of the Company:
- (a) the directors of the Company have the power and authority on behalf of the Company to authorize the Company to borrow money, to give financial assistance to others and to give security; and
  - (b) the seal of the Company may be affixed to any instrument in the presence of such person or persons as the directors of the Company may appoint by resolution.
9. No Restrictions on Directors' Powers. No resolution has been passed, no agreement has been entered into and no declaration has been executed by the current or former shareholders of the Company which has or could have the effect of limiting or otherwise restricting the powers or authorities of the directors of the Company.

10. Directors and Officers. Each person listed below as a director is a director of the Company, validly elected or appointed, and there are no other directors of the Company. Each person listed below as an officer validly holds such office in the Company.

<u>Name(s)</u>	<u>Position(s)</u>
RYAN MORENO	<u>Principal</u>

11. Signatories. The person(s) who executed the Security and Other Documents on behalf of the Company were duly authorized to do so and to bind the Company legally thereby.

12. No Other Security. The Company is not a party to, nor has it issued, assumed or granted nor is it bound by, any deed, indenture, real property mortgage, chattel mortgage, conditional sale contract, general or specific assignment of book debts, security under Section 427 of the *Bank Act*, or any other lien, charge or encumbrance which charges any of the Company's assets except in favour of the Bank and as previously disclosed to the Bank.

13. Standing. The Company is duly incorporated and validly exists as a company under the *Business Corporations Act* of British Columbia, or its predecessor legislation, is in good standing with respect to the filing of returns under that Act, and is not registered to carry on business and does not carry on business or own any assets in any other jurisdiction.

14. Licences and Permits. The Company holds and is possessed of all licences and permits required for the conduct of the Company's business and the uses for which the Company's property and assets are used, such licences and permits are in good standing, and such conduct and uses are in compliance with the terms of such licences and permits and all laws, bylaws, rules, regulations and ordinances applicable to the Company or any of its property or assets.

15. Reporting Company. The Company is not a reporting company as that term is defined in the *Business Corporations Act* of British Columbia or its predecessor legislation.

16. Not Insolvent. The Company is not insolvent as that term is used in the *Business Corporations Act* of British Columbia or its predecessor legislation.

17. No Violation. Neither the execution and delivery of the Security and Other Documents nor the performance of the obligations of the Company thereunder will:

- (a) result in any violation of or constitute a default under the constating documents of the Company, any lease, licence or permit held by the Company, or any deed, indenture, debenture, mortgage, agreement, instrument, judgment, decree, order, statute, rule or regulation applicable to the Company; or
- (b) result in the acceleration of the time for payment of any moneys payable or for performance of any obligation to be performed by the Company.

18. Corporate Authorization. The borrowing of the Loan and the execution and delivery of the Security and Other Documents have been duly authorized by all necessary action of the members and directors of the Company.

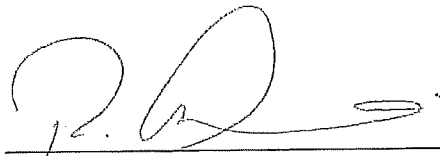
19. Consents and Approvals. Any and all necessary consents, approvals and authorizations to the execution and delivery of the Security and Other Documents by the Company and the performance by the Company of its obligations thereunder have been obtained from any governmental agency and regulatory authority.

20. Taxes. The Company is not in default or in arrears in respect of the payment of wages or salaries to its employees, real property taxes, rates or assessments, or any moneys payable by it pursuant to the *Social Services Tax Act*, the *Corporation Capital Tax Act* or the *Workers' Compensation Act* of British Columbia.

21. Name and Style. Each legal name of the Company (including its name in any French form, any combined English/French form and any other form) is set out in the Security and Other Documents, and the Company has not at any time had, used or carried on business under any other name.

I UNDERSTAND THAT THE LENDER INTENDS TO RELY ON THE STATEMENTS SET OUT IN THIS CERTIFICATE IN DECIDING WHETHER TO ADVANCE FUNDS OR OTHERWISE TO EXTEND OR CONTINUE CREDIT.

DATED: October 30, 2019.

  
 Name: Ryan Moran  
 Title: Principal

**OFFICER'S CERTIFICATE**

To:           **0911110 B.C. LTD.**  
 Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
 Surrey, British Columbia, V3W 2P2

And to:       **Binpal & Associates**  
 Barristers and Solicitors  
 Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
 Surrey, British Columbia, V3W 2P2

I, the undersigned, HEREBY CERTIFY that on the date of closing I will be a director of JOSEPH RICHARD INVESTMENTS LTD. (the "Company") and as such have personal knowledge of the matters herein stated, and that each of the statements set out in this Certificate is true, complete and accurate to the best of my knowledge.

1.           Documents. This Certificate is delivered in connection with the following security documents dated of even date herewith executed and delivered by the Company as security for repayment of a loan (the "Loan") requested by Sudo Asian Kitchen Holdings (Langley) Ltd. from 0911110 B.C. Ltd. (the "Lender") together with certain related documents, including without limitation:

- (a)    a Loan Agreement;
- (b)    a Guarantee Agreement;

(collectively, the "Security and Other Documents").

2.           Understanding of Documents. I have reviewed and understand the nature and effect of each of the Security and Other Documents.

3.           Company Representations. Each of the representations, warranties and statements made by the Company in the Security and Other Documents is true, complete and accurate in all material respects.

4.           No Collateral Representations. The Company is not relying upon any statement, representation, warranty, undertaking or agreement of the Lender or any of its officers, employees or agents other than those agreements (if any) expressly set out in the Security and Other Documents.

5.           No Default. The Company is not in default under any document securing or evidencing any indebtedness or liability of the Company, nor has any event occurred which may become a default of the Company thereunder with the passage of time or the giving of notice or both.

6.           No Adverse Action. No litigation, investigation, proceeding or appeal is pending or threatened against the Company or in respect of property in which the Company has an interest. The Company is not aware of any material claim against or material contingent liability of the Company. No judgment, order, writ, injunction, demand, decree or award of any court, arbitrator or administrative or governmental body is presently outstanding against the Company. No proceedings have been commenced or are threatened to condemn, expropriate, purchase or otherwise acquire the Lands or any material portion of the other assets of the Company.

7.           No Receivership, Bankruptcy or Dissolution. No receiver, receiver manager or similar official has been appointed in respect of any of the Company's assets. The Company has not filed a proposal, a notice of intention to file a proposal or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation. No petition has been filed, no order has been made, no

resolution has been passed, nor has any other step been taken for the bankruptcy, liquidation, dissolution, winding-up or reorganization of the Company or for the arrangement or composition of the Company's debts.

8. Directors' Authority. Under the constating documents of the Company:

- (a) the directors of the Company have the power and authority on behalf of the Company to authorize the Company to borrow money, to give financial assistance to others and to give security; and
- (b) the seal of the Company may be affixed to any instrument in the presence of such person or persons as the directors of the Company may appoint by resolution.

9. No Restrictions on Directors' Powers. No resolution has been passed, no agreement has been entered into and no declaration has been executed by the current or former shareholders of the Company which has or could have the effect of limiting or otherwise restricting the powers or authorities of the directors of the Company.

10. Directors and Officers. Each person listed below as a director is a director of the Company, validly elected or appointed, and there are no other directors of the Company. Each person listed below as an officer validly holds such office in the Company.

<u>Name(s)</u>	<u>Position(s)</u>
RYAN MORENO	<u>Principal</u>
ANDRE BOURQUE	<u>Principal</u>

11. Signatories. The person(s) who executed the Security and Other Documents on behalf of the Company were duly authorized to do so and to bind the Company legally thereby.

12. No Other Security. The Company is not a party to, nor has it issued, assumed or granted nor is it bound by, any deed, indenture, real property mortgage, chattel mortgage, conditional sale contract, general or specific assignment of book debts, security under Section 427 of the *Bank Act*, or any other lien, charge or encumbrance which charges any of the Company's assets except in favour of the Bank and as previously disclosed to the Bank.

13. Standing. The Company is duly incorporated and validly exists as a company under the *Business Corporations Act* of British Columbia, or its predecessor legislation, is in good standing with respect to the filing of returns under that Act, and is not registered to carry on business and does not carry on business or own any assets in any other jurisdiction.

14. Licences and Permits. The Company holds and is possessed of all licences and permits required for the conduct of the Company's business and the uses for which the Company's property and assets are used, such licences and permits are in good standing, and such conduct and uses are in compliance with the terms of such licences and permits and all laws, bylaws, rules, regulations and ordinances applicable to the Company or any of its property or assets.

15. Reporting Company. The Company is not a reporting company as that term is defined in the *Business Corporations Act* of British Columbia or its predecessor legislation.

16. Not Insolvent. The Company is not insolvent as that term is used in the *Business Corporations Act* of British Columbia or its predecessor legislation.

17. No Violation. Neither the execution and delivery of the Security and Other Documents nor the performance of the obligations of the Company thereunder will:

- (a) result in any violation of or constitute a default under the constating documents of the Company, any lease, licence or permit held by the Company, or any deed, indenture, debenture, mortgage, agreement, instrument, judgment, decree, order, statute, rule or regulation applicable to the Company; or
- (b) result in the acceleration of the time for payment of any moneys payable or for performance of any obligation to be performed by the Company.

18. Corporate Authorization. The borrowing of the Loan and the execution and delivery of the Security and Other Documents have been duly authorized by all necessary action of the members and directors of the Company.

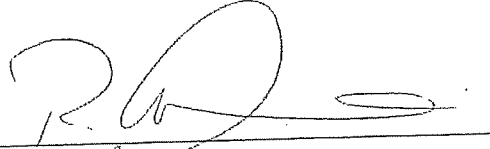
19. Consents and Approvals. Any and all necessary consents, approvals and authorizations to the execution and delivery of the Security and Other Documents by the Company and the performance by the Company of its obligations thereunder have been obtained from any governmental agency and regulatory authority.

20. Taxes. The Company is not in default or in arrears in respect of the payment of wages or salaries to its employees, real property taxes, rates or assessments, or any moneys payable by it pursuant to the *Social Services Tax Act*, the *Corporation Capital Tax Act* or the *Workers' Compensation Act* of British Columbia.

21. Name and Style. Each legal name of the Company (including its name in any French form, any combined English/French form and any other form) is set out in the Security and Other Documents, and the Company has not at any time had, used or carried on business under any other name.

I UNDERSTAND THAT THE LENDER INTENDS TO RELY ON THE STATEMENTS SET OUT IN THIS CERTIFICATE IN DECIDING WHETHER TO ADVANCE FUNDS OR OTHERWISE TO EXTEND OR CONTINUE CREDIT.

DATED: October 30, 2019.

  
 Name: Ryan Moreno  
 Title: Principal



# hamilton duncan

t 604.581.4677  
f 604.581.5947

Our File No. 19236006

October 30, 2019

TO: 0911110 B.C. LTD.  
AND TO: Binpal & Associates  
Barristers & Solicitors

Dear Sirs:

Re: **JOSEPH RICHARD INVESTMENTS LTD.** (the "**Company**") – a loan agreement and a guarantee agreement (collectively, the "**Security**") to 0911110 B.C. Ltd. (the "**Lender**")

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We are legal counsel in British Columbia for the Company and have acted in connection with the execution and delivery by the Company of the following documents, each dated on or about the date of this opinion letter (unless otherwise indicated), in connection with the provision of a loan pursuant to the Security:

- a. the Security;
- b. certified resolution of the Directors of the Company relating to the Security; and
- c. a certificate of an Officer of the Company.

(collectively the "**Documents**")

## 1. DOCUMENTS

We have examined the following documents:

- i. the Documents;
- ii. the corporate records of the Company; and
- iii. a certificate of good standing of the Company by the Registrar of Companies for British Columbia and dated October 30, 2019.

(00025451.1)

## 2. SCOPE OF OPINION AND RELIANCE

For the purposes of the opinions expressed herein, in our examinations, we have assumed (without independent investigation or verification):

- (a) the genuineness of all signatures on all documents purporting to be originals and on the originals of all documents submitted to us as copies;
- (b) the authenticity of all documents submitted to us as originals and of the originals of all documents submitted to us as copies, and the conformity to originals of all documents submitted to us as copies; and
- (c) that all facts set forth in the official public records, indices and filing systems and all certificates and documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate.

We have also considered such questions of law as we have deemed relevant and necessary as a basis for the opinions hereinafter expressed.

This opinion is limited to the matters expressly stated herein. No opinion is expressed as to the enforceability of any provision of any Document.

With respect to the opinion expressed in paragraph 1 hereof, we have, with your approval, relied solely upon the Certificates of Good Standing, which certificates are being delivered to you concurrently with this opinion. In addition, for facts relevant to the opinions expressed below, we have relied solely and without independent investigation upon the Officer's Certificates, which are being delivered to you concurrently with this opinion; however, we are not aware of any fact or circumstance which would disentitle us to rely on such certificates.

## 3. RELIANCE

This opinion is intended solely for the use of the persons to whom it is addressed and their assignees and transferees as permitted under the Documents and may not be relied on by any other person without our prior written consent. The opinion is given as of the date hereof and we disclaim any obligations or undertaking to advise any person of any change in fact or law which may come to our attention after the date hereof. Although certain addressees hereof may receive copies of this opinion, they are entitled to rely on this opinion as fully as if such copies were signed originals.

## 4. OPINION

Based and relying on the foregoing, we submit the following report and opinion:

a. Corporate Existence

The Company is duly incorporated and is a validly existing company under the *Business Corporations Act* (British Columbia) and is in good standing with respect to the filing of annual returns.

b. Corporate Power and Capacity

The Company has the corporate power and capacity to execute and deliver the Documents to which it is a party and to perform its obligations thereunder.

c. Authorization, Execution and Delivery

- i. The Company has taken all necessary corporate action to authorize the execution and delivery by it of each of the Documents to which it is a party.
- ii. The Security has been duly executed and delivered by the Company.

Yours truly,

*Hamilton Duncan Armstrong + Stewart*  
*Law Corporation*

# hamilton duncan

t 604.581.4677  
f 604.581.5947

Our File No. 19236006

October 30, 2019

TO: 0911110 B.C. LTD.  
AND TO: Binpal & Associates  
Barristers & Solicitors

Dear Sirs:

Re: **SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.** (the "Company")  
– a loan agreement and a general security agreement (collectively, the  
"Security") to 0911110 B.C. Ltd. (the "Lender")

---

We are legal counsel in British Columbia for the Company and have acted in connection with the execution and delivery by the Company of the following documents, each dated on or about the date of this opinion letter (unless otherwise indicated), in connection with the provision of a loan pursuant to the Security:

- a. the Security;
- b. resolution of the Directors of the Company relating to the Security; and
- c. a certificate of an Officer of the Company.

(collectively the "Documents")

## 1. DOCUMENTS

We have examined the following documents:

- i. the Documents;
- ii. the corporate records of the Company; and
- iii. a certificate of good standing of the Company by the Registrar of Companies for British Columbia and dated October 30, 2019.

{00025454.1}

## 2. SCOPE OF OPINION AND RELIANCE

For the purposes of the opinions expressed herein, in our examinations, we have assumed (without independent investigation or verification):

- (a) the genuineness of all signatures on all documents purporting to be originals and on the originals of all documents submitted to us as copies;
- (b) the authenticity of all documents submitted to us as originals and of the originals of all documents submitted to us as copies, and the conformity to originals of all documents submitted to us as copies; and
- (c) that all facts set forth in the official public records, indices and filing systems and all certificates and documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate.

We have also considered such questions of law as we have deemed relevant and necessary as a basis for the opinions hereinafter expressed.

This opinion is limited to the matters expressly stated herein. No opinion is expressed as to the enforceability of any provision of any Document.

With respect to the opinion expressed in paragraph 1 hereof, we have, with your approval, relied solely upon the Certificates of Good Standing, which certificates are being delivered to you concurrently with this opinion. In addition, for facts relevant to the opinions expressed below, we have relied solely and without independent investigation upon the Officer's Certificates, which are being delivered to you concurrently with this opinion; however, we are not aware of any fact or circumstance which would disentitle us to rely on such certificates.

## 3. RELIANCE

This opinion is intended solely for the use of the persons to whom it is addressed and their assignees and transferees as permitted under the Documents and may not be relied on by any other person without our prior written consent. The opinion is given as of the date hereof and we disclaim any obligations or undertaking to advise any person of any change in fact or law which may come to our attention after the date hereof. Although certain addressees hereof may receive copies of this opinion, they are entitled to rely on this opinion as fully as if such copies were signed originals.

## 4. OPINION

Based and relying on the foregoing, we submit the following report and opinion:

a. Corporate Existence

The Company is duly incorporated and is a validly existing company under the *Business Corporations Act* (British Columbia) and is in good standing with respect to the filing of annual returns.

b. Corporate Power and Capacity

The Company has the corporate power and capacity to execute and deliver the Documents to which it is a party and to perform its obligations thereunder.

c. Authorization, Execution and Delivery

- i. The Company has taken all necessary corporate action to authorize the execution and delivery by it of each of the Documents to which it is a party.
- ii. The Security has been duly executed and delivered by the Company.

Yours truly,

*Hamilton Duncan Armstrong + Stewart  
Law Corporation.*

**AUTHORITY TO PAY**

**To:** 0911110 B.C. Ltd.  
Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
Surrey, B.C. V3W 2P2

**And To:** Binpal & Associates  
Barristers & Solicitors  
Suite 215 – 13737 – 72<sup>nd</sup> Avenue  
Surrey, B.C. V3W 2P2

**Re:** Lender: 0911110 B.C. Ltd.  
Borrower: Sudo Asian Kitchen Holdings (Langley) Ltd.  
Corporate Guarantor: Joseph Richard Investments Ltd.  
Individual Guarantors: Ryan Moreno and Andre Bourque  
Loan: \$400,000  
Lease Modification between the Lender and the Borrower for the premises located at Unit 111 – 114. 19233 Fraser Hwy, Surrey, BC

---

This shall be your irrevocable authorization and direction to forward from the proceeds of the Loan the following:

1. the sum of \$5,813.50\*\* for the account of Binpal & Associates, including costs for filing of the security documents, and costs relating to the preparation of security documents in relation to the Loan and costs associated with preparation of the Lease Modification.
2. pay the balance of Loan in the amount of \$394,186.50 to Hamilton Duncan Armstrong & Stewart Law Corporation, In Trust.

Dated: October 30, 2019.

SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.

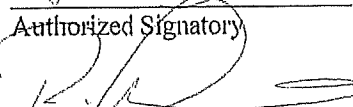
Per: 


Authorized Signatory

JOSEPH RICHARD INVESTMENTS LTD.

Per: 

Authorized Signatory

  
RYAN MORENO

  
ANDRÉ BOURQUE

\*\*This account will be paid by the Borrower even though Binpal & Associates acts only for the Lender throughout this transaction. Notwithstanding the payment of the account aforesaid, the Borrower, the Corporate Guarantor and the Individual Guarantors acknowledge, confirm and agree that Binpal & Associates act only for the Lender and that all appropriate claims of confidentiality, solicitor-client privilege and other considerations are available as between the Lender and Binpal & Associates only.

**CERTIFICATE**

I, HEREBY CERTIFY that the attached is a true copy of the Certificate of Incorporation, Notice of Articles, Articles, Central Securities Register and Register of Directors of **SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.** and that there have been no amendments to same. The attached remain in full force and effect as of this date and to the best of my knowledge, information and belief, no amendments to the attached documents are contemplated and in particular, the borrowing powers of Directors have not been in any way varied or impaired.

Dated at Surrey, British Columbia this 30 day of October, 2019.



Solicitor for the Company

**Brian C. Man**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
+ STEWART LAW CORPORATION  
#1450 - 13401 108th Avenue,  
Surrey, BC, V3T 5T3





Number: BC1091888

**CERTIFICATE  
OF  
INCORPORATION**

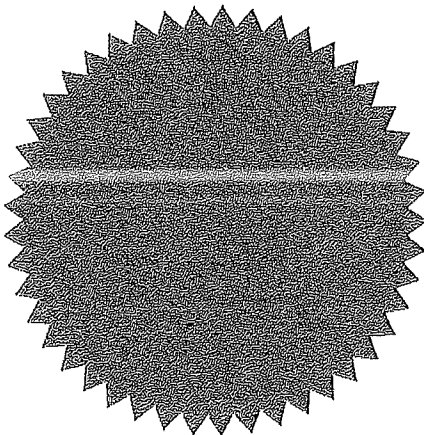
*BUSINESS CORPORATIONS ACT*

I Hereby Certify that SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD. was incorporated under the Business Corporations Act on October 4, 2016 at 11:06 AM Pacific Time.

*Issued under my hand at Victoria, British Columbia  
On October 4, 2016*



**CAROL PREST**  
*Registrar of Companies*  
Province of British Columbia  
Canada





**BC Registry  
Services**

Mailing Address:  
PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3  
www.corporateonline.gov.bc.ca

Location:  
2nd Floor - 940 Blanshard Street  
Victoria BC  
1 877 526-1526

**CERTIFIED COPY**

Of a Document filed with the Province of  
British Columbia Registrar of Companies

**Notice of Articles**

*BUSINESS CORPORATIONS ACT*

CAROL PREST

*This Notice of Articles was issued by the Registrar on: December 1, 2018 12:01 AM Pacific Time*

*Incorporation Number: BC1091888*

*Recognition Date and Time: Incorporated on October 4, 2016 11:06 AM Pacific Time*

**NOTICE OF ARTICLES**

**Name of Company:**

SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.

**REGISTERED OFFICE INFORMATION**

**Mailing Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**Delivery Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**RECORDS OFFICE INFORMATION**

**Mailing Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**Delivery Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**  
 Moreno, Ryan Richard

**Mailing Address:**  
 1268 216 STREET  
 LANGLEY BC V2Z 1R2  
 CANADA

**Delivery Address:**  
 1268 216 STREET  
 LANGLEY BC V2Z 1R2  
 CANADA

**AUTHORIZED SHARE STRUCTURE**

1.	No Maximum	Class A Voting Non-Participating Shares	Without Par Value  With Special Rights or Restrictions attached
-----			
2.	No Maximum	Class B Non-Voting Participating Shares	Without Par Value  With Special Rights or Restrictions attached
-----			
3.	No Maximum	Class C Non-Voting Participating Shares	Without Par Value  With Special Rights or Restrictions attached
-----			
4.	No Maximum	Class D Non-Voting Participating Shares	Without Par Value  With Special Rights or Restrictions attached
-----			
5.	No Maximum	Class E Non-Voting Preference Shares	With a Par Value of 0.01 Canadian Dollar(s) each  With Special Rights or Restrictions attached
-----			

6. - No Maximum

Class F Non-Voting Preference Shares

With a Par Value of  
0.01 Canadian Dollar(s) each

With Special Rights or  
Restrictions attached

---


7. No Maximum

Class G Non-Voting Preference Shares

Without Par Value

With Special Rights or  
Restrictions attached

---



*BUSINESS CORPORATIONS ACT*

## ARTICLES

- of -

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

Incorporation Number:

Translated Name: Not applicable

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*BUSINESS CORPORATIONS ACT*

ARTICLES

- of -

SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.

Incorporation Number:

Translated Name: Not applicable

PART 1 – INTERPRETATION

1.1 **Definitions.** In these Articles, unless the context otherwise requires:

- (a) "Board of Directors" or "Board" or "the directors" means the directors or the sole director of the Company for the time being, as the case may be;
- (b) "Business Corporations Act" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments to that Act and includes all regulations and amendments made pursuant to that Act;
- (c) "prescribed address" of a director means the address as recorded in the register of directors to be kept pursuant to the Business Corporations Act;
- (d) "registered address" of a shareholder means the last known address of that shareholder as recorded in the central securities register to be kept pursuant to the Business Corporations Act; and
- (e) "registered owner", when used with respect to a share of the Company, means the person registered in the central securities register as the shareholder in respect of such share.

1.2 **Business Corporations Act and Interpretation Act Definitions Applicable.** The definitions in the Business Corporations Act and the definitions and rules of construction in the *Interpretation Act* (British Columbia), with the necessary changes and so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the Business Corporations Act and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the Business Corporations Act prevails in relation to the use of the term in these Articles. If there is a conflict between these Articles and the Business Corporations Act, the Business Corporations Act prevails.

PART 2 – RESOLUTIONS AND MAJORITIES

2.1 **Directors' Resolution.** Subject to the Business Corporations Act, the Company may, by a resolution of the directors:

- (a) if the class rights so authorize:

- (i) create one or more series of shares out of a class of shares, and when creating such series of shares:
  - (A) determine the maximum number or determine that there is no maximum number of shares that the company is authorized to issue for such series of shares created;
  - (B) create and attach special rights or restrictions to the shares of any such series of shares created; and
  - (C) create an identifying name for the shares of any such series of shares created;
- (ii) for a series of shares of which there are no issued shares:
  - (A) alter any determination of the number of shares of which the series shall consist;
  - (B) alter the identifying name of shares of the series of shares; or
  - (C) alter any special rights or restrictions attached to the shares of the series of shares;
- (b) redeem or repurchase shares;
- (c) accept a surrender of shares by way of gift or for cancellation;
- (d) convert fractional shares into whole shares on a subdivision or consolidation of shares or on a redemption, purchase or surrender of shares;
- (e) change its name;
- (f) adopt or change a translation of its name;
- (g) subdivide all or any of its unissued shares with par value into shares of smaller par value;
- (h) subdivide all or any of its unissued shares without par value;
- (i) consolidate all or any of its unissued shares with par value into shares of larger par value;
- (j) consolidate all or any of its unissued shares without par value;
- (k) eliminate any class or series of shares if none of the shares of that class or series of shares are allotted or issued;
- (l) change all or any of its unissued shares with par value into shares without par value;
- (m) change all or any of its unissued shares without par value into shares with par value; or
- (n) alter the identifying name of any of its classes of shares,

and make any necessary alterations to its notice of articles or these Articles or both to effect the change.

**2.2 Ordinary Resolution.** Subject to the Business Corporations Act, the Company may, by an ordinary resolution:

- (a) deal with all matters set out in paragraph 2.1;
- (b) establish a maximum number of shares that the company is authorized to issue out of any class of shares for which no maximum is established;
- (c) increase, reduce or eliminate the maximum number of shares that the company is authorized to issue out of any class of shares;
- (d) for a class of shares of which there are no issued shares, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of the class of shares; or
- (e) for a class of shares of which there are no issued shares, vary or delete any special rights or restrictions attached to the shares of the class of shares,

and make any necessary alterations to its Notice of Articles or these Articles or both to effect the change.

**2.3 Special Resolution.** Subject to the Business Corporations Act, the Company may, by a special resolution:

- (a) deal with all matters set out in paragraph 2.1 and paragraph 2.2;
- (b) alter its Notice of Articles;
- (c) alter these Articles;
- (d) create one or more classes of shares;
- (e) subdivide all or any of its fully paid issued shares with par value into shares of smaller par value;
- (f) subdivide all or any of its fully paid issued shares without par value;
- (g) consolidate all or any of its fully paid issued shares with par value into shares of larger par value;
- (h) consolidate all or any of its fully paid issued shares without par value;
- (i) if the company is authorized to issue shares of a class of shares with par value;
  - (i) subject to the Business Corporations Act, decrease the par value of those shares, or
  - (ii) increase the par value of those shares if none of the shares of that class of shares are allotted or issued;

- (j) change all or any of its fully paid issued shares with par value into shares without par value;
  - (k) for a class or series of shares of which there are issued shares, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of the class or series of shares;
  - (l) for a class or series of shares of which there are issued shares, vary or delete any special rights or restrictions attached to the shares of the class or series of shares; or
  - (m) otherwise alter its authorized share structure when required or permitted to do so by the Business Corporations Act.
- 2.4 **Special Majority.** The majority of votes required for the Company to pass a special resolution at a general meeting is 2/3 of the votes cast on the resolution by shareholders voting shares that carry the right to vote at general meetings.
- 2.5 **Special Separate Majority.** The majority of votes required to pass a special separate resolution at a class meeting is 2/3 of the votes cast on the resolution by shareholders voting shares that carry the right to vote at the class meeting.
- 2.6 **Consent Resolution.** A consent resolution in writing, whether by signed documents, fax, e-mail or any other method of transmitting legibly recorded messages, of shareholders or directors or a committee of directors is as valid as if it had been passed at a duly called and held meeting of the shareholders, directors or committee, as the case may be. The consent resolution may be executed in any number of counterparts, each of which when executed and delivered (by fax, email or otherwise) is deemed to be an original, and all of which together constitute one consent resolution in writing.

### **PART 3 – SHARE CERTIFICATES**

- 3.1 **Mailing of Certificates.** Any share certificate may be mailed by registered mail, postage prepaid, to the shareholder entitled to that certificate at that shareholder's registered address and the Company is not liable for any loss occasioned to the shareholder if that share certificate is lost or stolen. In respect of a share held jointly by several persons, mailing of a certificate for that share to one of several joint holders or to a duly authorized agent of any of the joint holders is sufficient delivery to all.
- 3.2 **Replacement of Lost or Destroyed Certificate.** If a share certificate:
- (a) is worn out or defaced, the directors may, upon production to them of that certificate and upon such other terms, if any, that they determine, order the certificate to be cancelled and issue a new certificate to replace the cancelled certificate;
  - (b) is lost, stolen or destroyed, then upon production of proof to the satisfaction of the directors and upon provision of such indemnity and security, if any, that the directors deem adequate, a new share certificate must be issued to the person entitled to the lost, stolen or destroyed certificate.

- 3.3 **Consolidation of Certificates.** If two or more certificates are surrendered by their registered owner to the Company together with a written request that the Company issue one certificate registered in that registered owner's name representing the aggregate of the shares represented by the certificates so surrendered, the Company must cancel the certificates so surrendered and issue in their place one certificate in accordance with the request.
- 3.4 **Fee for Certificates.** There must be paid to the Company in respect of the issue of any certificate pursuant to this PART 3 such amount, if any, as the directors may from time to time determine and which must not exceed the amount prescribed in the Business Corporations Act.
- 3.5 **Non-Recognition of Trusts.** Except as required by law or statute or these Articles, no person is recognized by the Company as holding any share upon any trust and the Company is not bound by or compelled in any way to recognize (even when having notice of any trust) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety in the shareholder.
- 3.6 **Central Securities Register.** As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

#### **PART 4 – ISSUE, TRANSFER AND TRANSMISSION OF SHARES**

- 4.1 **Directors Authorized to Issue Shares.** Subject to any direction to the contrary contained in a resolution passed at a general meeting authorizing any increase of capital, the issue of shares is under the control of the directors who may issue, otherwise dispose of or grant options on shares authorized but not yet issued at any time, to any person including a director, in the manner, upon the terms and conditions and at the price or for the consideration as the directors, in their absolute discretion, may determine.
- 4.2 **Transferability and Instrument of Transfer.** Subject to the restrictions, if any, set forth in these Articles, any shareholder may transfer that shareholder's shares by an instrument in writing executed by or on behalf of that shareholder and delivered to the Company or its transfer agent. The instrument of transfer of any share of the Company must be in the form, if any, provided on the back of the Company's form of share certificate or in any other form which the directors may approve. If the directors so require, each instrument of transfer must be in respect of only one class of shares.
- 4.3 **Submission of Instruments of Transfer.** Every instrument of transfer must be executed by the transferor and provided to the Company or the office of its transfer agent or registrar for registration together with the share certificate for the shares to be transferred and such other evidence, if any, as the directors or the transfer agent or registrar may require to prove the title of the transferor or the transferor's right to transfer the shares. If the transfer is registered, the instrument of transfer must be retained by the Company or its transfer agent or registrar. If the

transfer is not registered, the instrument of transfer must be returned to the person depositing it together with the share certificate that accompanied it when tendered for registration.

- 4.4 **Authority in Instrument of Transfer.** The signature of a shareholder or of that shareholder's duly authorized attorney on the instrument of transfer authorizes the Company to register the shares specified in the instrument of transfer in the name of the person named in that instrument of transfer as transferee or, if no person is so named, in any name designated in writing by the person depositing the share certificate and the instrument of transfer with the Company or its transfer agent or registrar.
- 4.5 **Enquiry as to Title Not Required.** Neither the Company nor any of its directors, officers or agents is bound to enquire into any title of the transferor of any shares to be transferred and none of them is liable to any person for registering the transfer.
- 4.6 **Transfer Fee.** There must be paid to the Company in respect of the registration of any transfer such amount, if any, as the directors may from time to time prescribe.
- 4.7 **Personal Representative Recognized.** Upon the death or bankruptcy of a shareholder, that shareholder's legal personal representative or trustee in bankruptcy, although not a shareholder, has the same rights, privileges and obligations that attach to the shares formerly held by the deceased or bankrupt shareholder if the documents required by the Business Corporations Act have been deposited at the Company's registered office. This Article does not apply on the death of a shareholder with respect to shares registered in that shareholder's name and the name of another person in joint tenancy.
- 4.8 **Jointly Held Shares.** If there are joint shareholders in respect of a share and in the case of the death or bankruptcy of one of the joint shareholders, the legal personal representative of the deceased or the trustee in bankruptcy of the bankrupt shareholder, as the case may be, and the surviving joint shareholder or shareholders are the only persons recognized by the Company as having any title to or interest in the share so held jointly.

#### **PART 5 – PURCHASE OF SHARES**

- 5.1 **Company Authorized to Purchase its Shares.** Subject to the provisions of this PART 5, the Business Corporations Act and the special rights and restrictions attached to any class of shares, the Company may, by a resolution of the directors:
- (a) purchase any of its shares at the price and upon the terms specified in that resolution; and
  - (b) sell any of its shares so purchased but not cancelled at the price and upon the terms specified in that resolution.
- 5.2 **Offer to Purchase Shares.** Before the Company purchases any of its shares, it must make an offer, to every shareholder who holds shares of the class or series of shares to be purchased, to purchase rateably from those shareholders the number of shares of that class or series of shares that the Company wishes to purchase unless:
- (a) the purchase is made through a securities exchange or a quotation and trade reporting system;

- (b) the shares are being purchased:
  - (i) from an employee or former employee of the Company or of an affiliate of the Company; or
  - (ii) in the case of shares beneficially owned by an employee or former employee of the Company or of an affiliate of the Company, from the registered owner of the shares;
- (c) in respect of a specific share purchase, the Company is, for that purchase, relieved of its obligation to make an offer to purchase rateably from those shareholders holding shares of the class or series of shares from which the shares are to be purchased by a special separate resolution of those shareholders;
- (d) the purchase is one made pursuant to an order of the court upon application by a shareholder;
- (e) the purchase is of all of the notice shares of a dissenter;
- (f) the purchase is one made pursuant to an arrangement proposed by the Company with shareholders, creditors or other persons;
- (g) the purchase is of fractional shares; or
- (h) in respect of an offer to a specific shareholder, that shareholder, in writing, waives the right to receive an offer to purchase rateably that shareholder's shares before or after the purchase of the Company of any of its shares.

#### PART 6 – BORROWING POWERS

**6.1 Powers of Directors.** Subject to the Business Corporations Act, the directors may from time to time at their discretion authorize the Company to:

- (a) borrow any amount of money;
- (b) guarantee the repayment of any amount of money borrowed by any person or corporation; and
- (c) guarantee the performance of any obligation of any person or corporation,

and may raise or secure the repayment of any amount of money so borrowed or guaranteed or any obligation so guaranteed in any manner and upon any terms and conditions as they may think fit and in particular and without limiting the generality of the foregoing by the issue of bonds, debentures or other debt obligations or by the granting of any mortgages or other security interest on the undertaking of the whole or any part of the property of the Company, both present and future.

**6.2 Negotiability of Debt Obligations.** The directors may make any bonds, debentures or other debt obligations issued by the Company by their terms assignable free from any equities between the Company and the person to whom they may be issued or any other person who lawfully acquires them by assignment, purchase or otherwise.

- 6.3 **Special Rights on Debt Obligations.** The directors may authorize the issue of any bonds, debentures or other debt obligations of the Company at a discount, premium or otherwise and with special or other rights or privileges as to redemption, surrender, drawings, allotment of or conversion into or exchange for shares, attending at general meetings of the Company and otherwise as the directors may determine at or before the time of issue.

## **PART 7 – GENERAL MEETINGS**

- 7.1 **Location of General Meetings.** Every general meeting must be held at such time and location as the directors may determine.
- 7.2 **General Meeting Participation.** A shareholder or proxy holder who is entitled to participate in, including vote at, a meeting of shareholders may do so by video conference or telephone if all shareholders and proxy holders participating in the meeting, whether by video conference, telephone or in person, are able to communicate with each other. If all shareholders or proxy holders who are entitled to participate in, including vote at, a meeting consent, a shareholder or proxy holder may participate in the meeting by a communications medium other than video conference or telephone if all shareholders and proxy holders participating in the meeting are able to communicate with each other. A shareholder or proxy holder who participates in a meeting by a communications medium other than video conference or telephone is deemed to have agreed to participate by the other communications medium. A shareholder or proxy holder who participates in a meeting by video conference, telephone or other communications medium is deemed for all purposes of the Business Corporations Act and these Articles to be present at the meeting and must be counted in the quorum for and is entitled to communicate and vote at that meeting, and the meeting is deemed to be held at the location specified in the notice of meeting.
- 7.3 **Notice of General Meetings.** Notice of a general meeting must specify the time and location of the meeting and, in case of special business (as described in PART 8), the general nature of that business.
- 7.4 **Waiver of Notice.** Any person entitled to notice of a general meeting may waive or reduce the period of notice for that meeting in writing or otherwise and may do so before, during or after the meeting.
- 7.5 **Record Date for Notice.** The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the Business Corporations Act, by more than four months.
- 7.6 **Failure to Give Notice.** The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting.
- 7.7 **Notice of Special Business at General Meeting.** If any special business includes the presenting, considering, approving, ratifying or authorizing the execution of any document, then the portion of any notice relating to that document is sufficient if it states that a copy of the document or proposed document is or will be available for inspection by shareholders at a place in the Province of British Columbia specified in that notice during business hours in any working day or days prior to the date of the meeting.



**PART 8 – PROCEEDINGS AT GENERAL MEETINGS**

- 8.1 **Special Business.** All business at a general meeting is deemed to be special business except the consideration of the financial statements and the reports of the directors and auditors, the election of directors, appointment of auditors and such other business as under these Articles ought to be transacted at an annual general meeting or any business which is brought under consideration by the report of the directors.
- 8.2 **Quorum.** Subject to this PART 8, a quorum for a general meeting is two individuals who are shareholders, proxy holders representing shareholders or duly authorized representatives of corporate shareholders personally present and representing shares aggregating not less than ten percent (10%) of the issued shares of the Company carrying the right to vote at that meeting. In the event there is only one shareholder, the quorum is one person personally present and being, or representing by proxy, that shareholder, or in the case of a corporate shareholder, a duly authorized representative of that shareholder.
- 8.3 **Requirement of Quorum.** No business other than the election of a chair and the adjournment or termination of the meeting may be transacted at any general meeting unless a quorum is present at the commencement of the meeting but the quorum need not be present throughout the meeting.
- 8.4 **Lack of Quorum.** If within thirty (30) minutes from the time appointed for a meeting a quorum is not present, the meeting:
- (a) if convened by requisition of the shareholders, must be terminated; and
  - (b) in any other case, must stand adjourned to the same day in the next week at the same time and place.
- If at the adjourned meeting a quorum is not present within thirty (30) minutes from the time appointed, the shareholder or shareholders present in person, by proxy or by authorized representative is or are a quorum.
- 8.5 **Chair.** The chair of the Board, if any, or in his or her absence the President, if any, is entitled to act as chair at every general meeting. If at any general meeting the chair of the Board, if any, and the President, if any, are not present within fifteen (15) minutes after the time appointed for holding the meeting or if neither is willing to act as chair, the directors present must choose one of their number to act as chair. If no director is present or if all the directors present decline to act as chair or fail to so choose, the persons present must choose one of their number to act as chair.
- 8.6 **Adjournments.** The chair of the meeting may, with the consent of any meeting at which a quorum is present and must, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. If a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting must be given as in the case of a general meeting. It is otherwise not necessary to give any notice of an adjourned meeting or of the business to be transacted at any adjourned meeting.
- 8.7 **Voting.** Every question submitted to a general meeting must be decided:
- (a) if a ballot is demanded by a shareholder or proxy holder entitled to vote at the meeting or is directed by the chair, by ballot; or

- (b) in any other case, by a show of hands or by any other manner that adequately discloses the intentions of the shareholders or proxy holders.

The chair must declare to the meeting the decision on every question in accordance with the result of the ballot, the show of hands or the other manner that adequately disclosed the intentions of the shareholders or proxy holders and that decision must be entered in the minute book of the Company. A declaration of the chair that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minute book of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

- 8.8 **Resolution Need Not Be Seconded.** No resolution proposed at a meeting need be seconded and the chair of any meeting is entitled to move or second a resolution.
- 8.9 **Casting Vote.** In case of an equality of votes upon a resolution, whether on a show of hands or by ballot or any other manner, the chair does not have a casting vote in addition to the vote or votes to which he or she may be entitled as a shareholder.
- 8.10 **Manner of Taking Ballot.** If a ballot is duly demanded it must be taken at once or in the manner the chair of the meeting directs. A demand for a ballot may be withdrawn. In the case of any dispute as to the admission or rejection of a vote the chair must conclusively determine whether that vote is admitted or rejected.
- 8.11 **Splitting Votes.** On a ballot, a shareholder entitled to more than one vote need not, if that shareholder votes, use all that shareholder's votes or cast all the votes that shareholder uses in the same way.
- 8.12 **Demand for Ballot Not to Prevent Continuance of Meeting.** The demand for a ballot does not prevent the continuance of a meeting for the transaction of any business other than the question on which a ballot has been demanded.
- 8.13 **Retention of Ballots and Proxies.** The Company must, for at least three months after a meeting of shareholders, keep each ballot cast and each proxy voted at the meeting and, during the period, make them available for inspection during statutory business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of the three-month period, the Company may destroy such ballots and proxies.

## **PART 9 – VOTES OF SHAREHOLDERS**

- 9.1 **Number of Votes Per Share or Shareholder.** Subject to any special rights or restrictions attached to any share contained in these Articles, on a show of hands every shareholder entitled to vote present in person, by proxy or by authorized representative has one vote and on a ballot every shareholder entitled to vote on that ballot has one vote for every whole share held by that shareholder and a fractional vote in proportion to any fraction of a share held by that shareholder.
- 9.2 **Votes of Persons in Representative Capacity.** A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a ballot, and may appoint a proxy holder to act at the meeting if, before doing so, the person satisfies the chair of the meeting or the directors that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

9.3 **Votes by Joint Holders.** If there are joint shareholders registered in respect of any share, any one of the joint shareholders may vote at any meeting in person, by proxy or by authorized representative in respect of the share as if that joint shareholder were solely entitled to it. If more than one of the joint shareholders is present at any meeting in person, by proxy or by authorized representative, the joint shareholder so present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share. For the purpose of this PART 9, two or more executors or administrators of a deceased shareholder in whose sole name any share stands are deemed joint shareholders.

9.4 **Representative of a Corporate Shareholder.** If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint, by an instrument in writing, a person to act as its authorized representative at any meeting of shareholders of the Company, and:

- (a) for that purpose, the instrument appointing the authorized representative must:
  - (i) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, not less than forty-eight (48) hours before the time for holding the meeting; or
  - (ii) be deposited with the chair of the meeting, or to a person designated by the chair of the meeting, prior to the commencement of the meeting;
- (b) if an authorized representative is appointed under this PART 9:
  - (i) the authorized representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the authorized representative represents as that corporation could exercise if it were a shareholder who is an individual including, without limitation, the right to appoint a proxy holder; and
  - (ii) the authorized representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

An instrument appointing an authorized representative of a corporation must be in writing signed by a duly authorized person on behalf of that corporation and must be sent to the Company.

9.5 **Appointment of Proxy Holders.** A shareholder holding more than one share in respect of which that shareholder is entitled to vote at a general meeting is entitled to appoint one or more proxy holders to attend, act and vote for that shareholder at the general meeting and in so doing that shareholder must specify the number of shares that each proxy holder is entitled to vote.

9.6 **Execution of Proxy Instrument.** A proxy must be in writing signed by the appointor or the appointor's attorney or, if the appointor is a corporation, by the authorized representative or a duly authorized person on behalf of that corporation.

9.7 **Qualification of Proxy Holder.** A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or an authorized representative of a corporation appointed under this PART 9;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (c) the Company, by a resolution of the directors, permits the proxy holder to attend and vote at the meeting.

9.8 **Deposit of Proxy.** A proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or other authority must be deposited at the registered office of the Company or at such other place as is specified for that purpose in the notice calling the meeting not less than 48 hours before the time for holding the meeting at which the person named in the proxy proposes to vote or must be deposited with the chair of the meeting, or with a person designated by the chair of the meeting, prior to the commencement of the meeting. In addition to any other method of depositing proxies provided for in these Articles, the directors may from time to time make regulations:

- (a) permitting the depositing of proxies at some place or places other than the place at which a meeting or adjourned meeting of shareholders is to be held;
- (b) providing for particulars of those proxies to be sent in writing or by fax, e-mail or any other method of transmitting legibly recorded messages before a meeting or an adjourned meeting to the Company or any agent of the Company for the purpose of receiving those particulars; and
- (c) providing that particulars of those proxies may be voted as though the proxies themselves were produced to the chair of the meeting or of the adjourned meeting as required by this paragraph.

Votes given in accordance with proxies and particulars of proxies so deposited are valid and counted.

9.9 **Validity of Proxy Vote.** A vote given in accordance with the terms of a proxy is valid notwithstanding the previous death, bankruptcy or incapacity of the shareholder or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that prior to the meeting no notice in writing of such death, bankruptcy, incapacity, revocation or transfer has been received at the registered office of the Company or by the chair of the meeting or of the adjourned meeting at which the vote was given.

9.10 **Form of Proxy.** A proxy appointing a proxy holder must be in the following form or in any other form that the directors approve:

(Name of Company)

The undersigned hereby appoints \_\_\_\_\_ or failing him or her \_\_\_\_\_ as proxy holder for the undersigned to attend at and vote for and on behalf of the undersigned at the general meeting of the Company to be held on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and at any adjournment of that meeting.

Signed this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Shareholder)

- 9.11 **Revocation of Proxy.** Subject to this Part, every proxy may be revoked by an instrument in writing that is received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used or deposited with the chair of the meeting, or with a person designated by the chair of the meeting, prior to the commencement of the meeting.
- 9.12 **Revocation of Proxy Will Be Signed.** An instrument to revoke a proxy must be signed as follows:
- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
  - (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by a duly authorized person on behalf of the corporation or by the authorized representative appointed for the corporation under this PART 9.

#### **PART 10 – DIRECTORS**

- 10.1 **General Authority.** Subject to these Articles, the directors may exercise all powers and do all acts and things as the Company is by the Business Corporations Act, these Articles or otherwise authorized to exercise and do and which are not by these Articles, by statute or otherwise lawfully directed or required to be exercised or done by the Company by unanimous resolution, exceptional resolution, special resolution or ordinary resolution.
- 10.2 **Number of Directors.** The number of directors may be determined by ordinary resolution. The number of directors may be changed from time to time by ordinary resolution whether previous notice of that ordinary resolution has been given or not. If at any time the Company becomes a public company and the number of directors fixed pursuant to these Articles is less than three (3), then the number of directors is deemed to have been increased to three (3).
- 10.3 **Directors' Acts Valid Despite Vacancy.** An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.
- 10.4 **Qualification of Directors.** A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the Business Corporations Act to become, act or continue to act as a director.
- 10.5 **Remuneration and Expenses of Directors.** The remuneration of the directors as such may from time to time be determined by the directors. Any remuneration of a director is in addition to any salary or other remuneration paid to him or her as an officer or employee of the Company. Every director must be repaid such reasonable expenses as he or she may incur in and about the business of the Company. Other than remuneration for professional services described in this PART 10, if any director performs any services for the Company that in the opinion of the directors are outside the ordinary duties of a director or if he or she is specifically occupied in or about the

Company's business other than as a director, he or she may be paid a remuneration to be fixed by the directors. The remuneration so fixed may be either in addition to or in substitution for any other remuneration that he or she may be entitled to receive and the additional remuneration may be charged as part of ordinary working expenses of the Company. Unless otherwise determined by ordinary resolution, the directors may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company, to his or her spouse or dependants and they may also make any contributions to any fund and pay premiums for the purchase or provision of any gratuity, pension or allowance in respect of that director.

- 10.6 **Right to Office and Contract with Company.** A director may hold any office or place of profit in the Company, other than auditor, in conjunction with his or her office of director for the period and on such terms as the directors may determine. Subject to compliance with the Business Corporations Act, no director or intended director is disqualified by his or her office from contracting with the Company with regard to his or her tenure of office or place of profit or as vendor, purchaser or otherwise.
- 10.7 **Director Acting in Professional Capacity.** Any director may act by him or herself or his or her firm in a professional capacity for the Company and he or she or his or her firm is entitled to remuneration for professional services as if he or she were not a director.
- 10.8 **Alternate Directors.** Any director may from time to time appoint any person who is approved by resolution of the directors to be his or her alternate director provided that approval is not required if a director is appointed alternate director for another director. The appointee, while he or she holds office as an alternate director, is entitled to notice of meetings of the directors and, in the absence of the director for whom he or she is an alternate, to attend and vote at meetings as a director and is not entitled to be remunerated otherwise than out of the remuneration of the director appointing him or her. Any director may make or revoke an appointment of his or her alternate director by notice in writing sent to the Company. A person may act as an alternate for more than one director at any given time and a director may act as an alternate director for any other director. No person may act as an alternate director unless that person qualifies under the Business Corporations Act to act as a director of the Company. Every alternate director, if authorized by the notice appointing him or her, may sign any consent resolution in place of the director appointing him or her.

## **PART 11 – ELECTION, APPOINTMENT AND REMOVAL OF DIRECTORS**

- 11.1 **Election and Appointment.** The shareholders may elect or appoint directors at any time and from time to time.
- 11.2 **Elections and Appointments at Annual General Meetings.** At each annual general meeting all the directors retire and the shareholders must elect or appoint a Board of Directors consisting of the number of directors for the time being fixed pursuant to PART 10. Any retiring director is eligible for re-election or re-appointment. If the holding of an annual general meeting of the Company is deferred or waived by a unanimous resolution of all shareholders entitled to vote at the annual general meeting, each director in office on the annual reference date selected in the unanimous resolution continues to be a director until the next annual reference date unless that director retires or is removed prior to the next annual reference date.
- 11.3 **Filling a Casual Vacancy.** The directors may at any time and from time to time appoint any person as a director to fill a casual vacancy among the directors or a vacancy resulting from an increase of the number of directors.

- 11.4 **Power to Appoint Additional Directors.** Between successive annual general meetings, the directors have the power to appoint one or more additional directors but not more than one-third the number of directors elected or appointed at the last annual general meeting at which directors were elected or appointed. Any director so appointed may hold office only until the next following annual general meeting of the Company but is eligible for election at such meeting and, so long as he or she is an additional director, the number of directors is increased accordingly.
- 11.5 **Removal of Directors.** If a director is convicted of an indictable offence or ceases to be qualified to act as a director of the company and does not promptly resign, the Company may remove the director before the expiration of the director's term of office by a resolution of the directors. The Company may otherwise remove a director before the expiration of the director's term of office by a special resolution of the shareholders.

#### **PART 12 – PROCEEDINGS OF DIRECTORS**

- 12.1 **Meetings and Quorum.** The directors may hold meetings as they think fit for the dispatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. The directors may from time to time fix the quorum necessary for the transaction of business and unless so fixed the quorum is a majority of the Board.
- 12.2 **Chair.** The chair of the Board, if any, of the Company is entitled to act as chair of every meeting of the Board but if at any meeting the chair of the Board, if any, is not present within 15 minutes after the time appointed for holding the meeting, or if the chair of the Board is not willing to act as chair, the directors present must choose one of their number to act as chair.
- 12.3 **Call and Notice of Meetings.** A director may at any time call a meeting of the directors. Notice specifying the time and place of that meeting may be personally given or sent to each director and must be given at least 48 hours before the time appointed for holding the meeting or such lesser time as may be reasonable under the circumstances. It is not necessary to give to any director notice of a meeting of directors immediately following a general meeting at which that director has been elected or notice of a meeting of directors at which that director was appointed.
- 12.4 **Validity of Meeting Despite Failure to Give Notice.** The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director does not invalidate any proceedings at that meeting.
- 12.5 **Meeting Participation.** A director may participate in a meeting of the directors or of any committee of the directors by video conference or telephone if all directors participating in the meeting, whether by video conference or telephone or in person, are able to communicate with each other. If all the directors consent, a director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than video conference or telephone if all directors participating in the meeting are able to communicate with each other. A director who participates in a meeting by a communications medium other than video conference or telephone is deemed to have agreed to participate by the other communications medium. A director who participates in a meeting by video conference, telephone or other communications medium is deemed for all purposes of the Business Corporations Act and these Articles to be present at the meeting and must be counted in the quorum for and is entitled to communicate and vote at that meeting.

- 12.6 **Competence of Quorum.** The directors at a meeting at which a quorum is present are competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the directors.
- 12.7 **Committees.** The directors may from time to time by resolution constitute, dissolve or reconstitute standing committees and other committees consisting of such persons as the directors may determine. Every committee so constituted has the authorities, powers and discretions that may be delegated to it by the directors and must act in accordance with any regulations that the directors may impose upon it.
- 12.8 **Validity of Meeting if Directorship Deficient.** All acts done by any director or by any member of a committee constituted by the directors, notwithstanding that it is discovered afterwards that there was some defect in the appointment of any person so acting or that he or she was disqualified, are valid.
- 12.9 **Majority Rule and Casting Vote.** Questions arising at any meeting of the directors must be decided by a majority of votes. In the case of an equality of votes, the chair does not have a casting vote.

#### **PART 13 – OFFICERS**

- 13.1 **Appointment of Officers.** The directors may appoint officers of the Company and may specify their duties. Any individual may be appointed to any office of the Company. Two or more offices of the Company may be held by the same individual.

#### **PART 14 – DIVIDENDS**

- 14.1 **Declaration of Dividends.** Subject to the Business Corporations Act and the rights, if any, of shareholders holding shares with special rights and restrictions, the directors may declare dividends and fix the date of record and the date for payment of any dividend. No date of record for any dividend may precede the date of payment of that dividend by more than the maximum number of days permitted by the Business Corporations Act. No notice need be given of the declaration of any dividend. If no valid date of record is fixed, the date of record is deemed to be the same date as the date of payment of the dividend.
- 14.2 **Dividend Bears No Interest.** No dividend may bear interest against the Company.
- 14.3 **Payment in Specie.** The directors may direct payment of any dividend wholly or partly by the distribution of specific assets or of paid-up shares or bonds, debentures or other debt obligations of the Company or in any one or more of those ways and if any difficulty arises in regard to the distribution the directors may settle the difficulty as they think fit. The directors may fix the value for distribution of specific assets and may vest any of those specific assets in trustees upon such trusts for the persons entitled to those specific assets as the directors think fit.
- 14.4 **Fractional Interests.** Notwithstanding the provisions of this PART 14, if any dividend results in any shareholder being entitled to a fraction of a share, bond, debenture or other debt obligation of the Company, the directors may pay that shareholder the cash equivalent in place of that fraction of a share, bond, debenture or other debt obligation. The directors may arrange through a fiscal agent or otherwise for the sale, consolidation or other disposition of fractions of shares, bonds, debentures or other debt obligations of the Company on behalf of shareholders entitled to them.



- 14.5 **Payment of Dividends.** Any dividend payable in cash by the Company may be paid by cheque mailed to the registered address of the shareholder or in the case of joint shareholders to the registered address of the joint shareholder first named in the central securities register or to such person or to such address as any shareholder may direct in writing. Every cheque must be made payable to the order of the person to whom it is sent and in the case of joint shareholders to those joint shareholders.
- 14.6 **Receipt by Joint Shareholders.** If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.
- 14.7 **No Notice Required.** The directors need not give notice to any shareholder of any declaration under paragraph 14.1 unless such dividends have been designated as eligible dividends under subsection 89(14) of the *Income Tax Act* (Canada).

#### **PART 15 – ACCOUNTING RECORDS AND AUDITORS**

- 15.1 **Accounts to be Kept.** The directors must cause accounting records to be kept as necessary to properly record the financial affairs and condition of the Company and to comply with the provisions of statutes applicable to the Company.
- 15.2 **Location of Accounts.** The directors must determine the place at which the accounting records of the Company must be kept and those records must be open to the inspection of any director during the statutory business hours of the Company.
- 15.3 **Remuneration of Auditors.** The directors may set the remuneration of any auditor of the Company.

#### **PART 16 – SENDING OF RECORDS**

- 16.1 **Manner of Sending Records.** Unless the Business Corporations Act requires otherwise, a record may be sent:
- (a) to the Company by delivery or mail to the Company at the delivery address or mailing address of its registered office or by fax or e-mail to a fax number or e-mail address specified by the Company for that purpose;
  - (b) to a director by delivery or mail to the director at the prescribed address of that director or by fax or e-mail to the fax or e-mail address specified for that purpose by the director;
  - (c) to a shareholder by delivery or mail to the shareholder at the registered address of that shareholder or by fax or e-mail to the fax or e-mail address specified for that purpose by the shareholder; or
  - (d) to the person entitled to a share as a result of the death, bankruptcy or incapacity of a shareholder by delivery or mail or by fax or e-mail to that person at the address specified for that purpose by the person so entitled and until that address, fax number or e-mail address has been so specified, the record may be sent in any manner in which it might have been sent if the death, bankruptcy or incapacity had not occurred.

- 16.2 **Sending to Joint Holders.** A record may be sent by the Company to joint shareholders in respect of a share registered in their names by sending the record to the joint shareholder first named in the central securities register in respect of that share.
- 16.3 **Date Record Deemed Received.** If a record is sent by mail, postage prepaid, that record is deemed to have been received on the fifth (5<sup>th</sup>) day, Saturdays, Sundays and holidays excepted, following the date of mailing. If a record is sent by fax, e-mail or any other manner of transmitting visually recorded messages, that record is deemed to have been received on the day it is sent if sent before or during statutory business hours and is deemed to have been received on the day, Saturdays, Sundays and holidays excepted, following the date it is sent if sent after statutory business hours or on a Saturday, Sunday or holiday. Notwithstanding the foregoing, in the event receipt of any record is deemed hereunder to have been received on a Saturday, Sunday or holiday, receipt thereof shall be deemed to have occurred on the next business day.

### **PART 17 – NOTICES**

- 17.1 **Minimum Number of Days.** Notice of a general meeting must be sent to all shareholders holding shares that carry the right to vote at general meetings at least fourteen (14) days before the general meeting. Notice of a class or series meeting must be sent to all shareholders holding shares of that class or series at least fourteen (14) days before the class or series meeting.
- 17.2 **Persons to Receive Notice.** Notice of every general meeting must be sent to:
- (a) every shareholder holding a share or shares carrying the right to vote at that meeting on the record date or, if no record date was established by the directors, on the date the notice is sent;
  - (b) the personal representative of a deceased shareholder if entitled to notice by the Business Corporations Act;
  - (c) the trustee in bankruptcy of a bankrupt shareholder if entitled to notice by the Business Corporations Act;
  - (d) every director; and
  - (e) the auditor, if any.

No other person is entitled to receive notices of general meetings.

### **PART 18 – EXECUTION OF DOCUMENTS**

- 18.1 **Seal Optional.** The directors may provide a common seal for the Company and may provide for its use. The directors have power to destroy the common seal and may provide a new common seal.
- 18.2 **Official Seal.** The directors may provide for use in any other province, state, territory or country an official seal that must have on its face the name of the province, state, territory or country where it is to be used.

- 18.3 **Affixing of Seal to Documents.** The directors must provide for the safe custody of each of the Company's seals, if any, which shall not be affixed to any instrument except by the authority of a resolution of the directors and by such person or persons as may be prescribed in and by that resolution and the person or persons so prescribed must sign every instrument to which the seal of the Company is affixed in his, her or their presence, provided that a resolution directing the general use of a seal, if any, may at any time be passed by the directors and applies to the use of that seal until countermanded by another resolution of the directors. In the absence of any resolution so authorizing the use of any seal, any seal of the Company may be affixed to any document that requires the seal of the Company in the presence of all the directors.
- 18.4 **Execution.** Deeds, transfers, assignments, instruments, contracts and any other documents of the Company may be signed on behalf of the Company by any one director.
- 18.5 **Board Appointed Signatories.** In addition, the Board may from time to time authorize any other person or persons to sign any particular deed, transfer, assignment, instrument, contract or any other document of the Company.
- 18.6 **Certificates.** The secretary or, any other officer or any director, may sign certificates and similar instruments (other than share certificates) on the Company's behalf with respect to any factual matters relating to the Company's business and affairs, including, without limitation, certificates verifying copies of the Notice of Articles, Articles, resolutions and minutes of meetings of the Company. Any signing officer may affix the common seal to any instrument requiring the same.
- 18.7 **Signatures.** The signature of any person authorized to sign on behalf of the Company may be written, printed, stamped, engraved, lithographed or otherwise mechanically, electronically or digitally reproduced. Anything so signed shall be as valid as if it had been signed manually, even if that person has ceased to hold office when anything so signed is issued or delivered, until revoked by resolution of the Board.

#### **PART 19 – INDEMNIFICATION**

- 19.1 **Definitions.** In this PART 19:
- (a) "associated corporation" means a corporation or entity that
    - (i) is or was an affiliate of the Company;
    - (ii) is a corporation, other than the Company, for which the eligible party is or was a director, alternate director or officer, at the request of the Company, or
    - (iii) is a partnership, trust, joint venture or other unincorporated entity for which the eligible party holds or held a position equivalent to that of a director or officer at the request of the Company;
  - (b) "eligible party" means a person who is or was a director, alternate director or officer of the Company;
  - (c) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

- (d) "eligible proceeding" means a proceeding in which an eligible party or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director, alternate director or officer or holding or having held a position equivalent to that of a director, alternate director or officer of the Company or an associated corporation
- (i) is or may be joined as a party, or
- (ii) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (e) "expenses" includes costs, charges and expenses, including legal and other fees, but does not include judgments, penalties, fines or amounts paid in settlement of a proceeding; and
- (f) "proceeding" includes any legal proceeding or investigative action, whether current, threatened, pending or completed.

- 19.2 **Mandatory Indemnification of Eligible Parties.** To the extent the Company is not so prohibited by the Business Corporations Act, the Company must indemnify each eligible party and the heirs and legal personal representatives of each eligible party against all eligible penalties to which each eligible party is or may be liable, and the Company must, after the final disposition of an eligible proceeding pay the expenses actually and reasonably incurred by each eligible party in respect of that proceeding. Each eligible party is deemed to have contracted with the Company on the terms of the indemnity contained in this PART 19.
- 19.3 **Non-Compliance with Business Corporations Act.** The failure of each eligible party to comply with the Business Corporations Act or these Articles does not invalidate any indemnity to which he or she is entitled under this PART 19.
- 19.4 **Advance Expenses.** Unless prohibited by applicable law or court order, the Company must pay, as they are incurred, in advance of the final disposition of an eligible proceeding, the expenses actually and reasonably incurred by an eligible party in respect of the eligible proceeding provided that the Company shall not make such payments unless the Company first receives from the eligible party a written undertaking that, if it is ultimately determined that the payment of expenses is prohibited by applicable law, the eligible party must repay the amounts advanced.
- 19.5 **Indemnity Restricted.** Despite any other provision of this PART 19, the Company is not obliged to make any payment that is prohibited by the Business Corporations Act or by court order in force at the date the payment is made.
- 19.6 **Company May Purchase Insurance.** The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:
- (a) is or was serving as a director, alternate director or officer of the Company;
- (b) is or was serving as a director, alternate director or officer of any associated corporation;  
or
- (c) at the request of the Company, holds or held a position equivalent to that of a director or officer of a partnership, trust, joint venture or other unincorporated entity against any liability incurred by him or her in such equivalent position.

**PART 20 – RESTRICTION ON SECURITY TRANSFERS**

- 20.1 **Application.** This Part does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.
- 20.2 **Directors May Decline to Approve Transfer.** No security of the company, other than a non-convertible debt security, may be sold, transferred or otherwise disposed of without the approval of the directors. Notwithstanding anything contained in these Articles, the directors may in their absolute discretion decline to approve any sale, transfer or other disposition of a security of the company (other than non-convertible debt security) or to approve the registration of the transfer of such a security of the company in the central securities register or other registers of the Company and the directors are not required to disclose their reasons for declining approval.
- 20.3 **Offer to Other Shareholders.** Subject to this PART 20, shares in the capital of the Company must not be transferred except under the following conditions:
- (a) A person (the "Proposing Transferor") desiring to transfer any shares in the Company must give notice in writing (the "Transfer Notice") to the Company that the Proposing Transferor desires to transfer those shares (the "Offered Shares"). The Transfer Notice must specify the price (in Canadian Dollars) and the terms of payment upon which the Proposing Transferor is prepared to transfer the Offered Shares and constitute the Company the Proposing Transferor's agent for the sale of the Offered Shares to any shareholder or shareholders of the Company at the price and upon the terms of payment so specified. The Transfer Notice must also state whether the Proposing Transferor has had an offer to purchase the Offered Shares or any of them from, or proposes to sell the Offered Shares or any of them to, any particular person or persons, and if so, then the names and addresses of those persons must be specified in the Transfer Notice. The Transfer Notice constitutes an offer on the terms set out in this PART 20 by the Proposing Transferor to the other shareholders of the Company holding shares in the class or classes included in the Transfer Notice and is not revocable except with the consent of the directors. If the Transfer Notice pertains to shares of more than one class, then the price and terms of payment for each class of shares must be stated separately in the Transfer Notice.
  - (b) The directors must forthwith upon receipt of the Transfer Notice deliver a copy of it to each shareholder, other than the Proposing Transferor, holding shares of the class or classes set forth in the Transfer Notice delivered to the Company and request that shareholder to state in writing within twenty-eight (28) days from the date on the Transfer Notice (the "Notice Period") whether that shareholder is willing to purchase any of the shares offered in the Transfer Notice and if so, the maximum number of shares that shareholder is willing to purchase. A shareholder is only entitled to purchase shares of the class or classes of shares held by that shareholder.
  - (c) Upon the expiration of the Notice Period, if the directors have received from the shareholders entitled to receive the Transfer Notice sufficient acceptances to purchase all the Offered Shares, then the directors must, on a class by class basis, apportion the Offered Shares among the shareholders so accepting (each, an "Accepting Shareholder" and collectively, the "Accepting Shareholders") as follows:

- (i) the directors must apportion that number of Offered Shares of each class to each Accepting Shareholder holding and accepting shares of that class equal to the lesser of:
  - (A) the number of Offered Shares of the class that the Accepting Shareholder agreed to purchase ("**Number of Accepted Shares**"); and
  - (B) the product obtained by multiplying the number of Offered Shares of the class by the ratio of shares of that class then held by that Accepting Shareholder in relation to all shares of that class then held by all Accepting Shareholders holding and accepting shares of that class (the "**Pro Rata Entitlement**"); and
- (ii) to the extent all Offered Shares of the class have not been apportioned to the Accepting Shareholders pursuant to paragraph 20.3(c)(i), the directors must apportion to each Accepting Shareholder holding shares of that class whose Number of Accepted Shares exceeded that shareholder's Pro Rata Entitlement (such excess being the "**Acceptance Differential**") that number of the Offered Shares of the class yet to be apportioned equal to product obtained by multiplying the number of Offered Shares of the class yet to be apportioned by the ratio of that Accepting Shareholder's Acceptance Differential in relation to the aggregate Acceptance Differential of all such Accepting Shareholders.

If the directors have not received sufficient acceptances to purchase all the Offered Shares of the class, then the directors may, but only with the consent of the Proposing Transferor (who will not be obliged to sell in the aggregate less than all the Offered Shares), apportion the Offered Shares of the class among the Accepting Shareholders on the basis of each of their Pro Rata Entitlement but only up to the Number of Accepted Shares for each of them respectively. After an apportionment has been so made and upon payment of the price for the Offered Shares apportioned, the Proposing Transferor will be bound to transfer the Offered Shares in accordance with that apportionment and if the Proposing Transferor fails to do so, then the Company will cause the name of the purchasing shareholders to be entered in the central securities register as the holders of the Offered Shares and will cancel the share certificates representing the Offered Shares whether they have been produced to the Company or not. Payment to the Company of the purchase price will be sufficient payment by each Accepting Shareholder and entry of the transfer in the central securities register will be conclusive evidence of the validity of the transfer.

- (d) If the directors:
  - (i) have apportioned some but not all of the Offered Shares pursuant to paragraph 20.3(c) (the remaining Offered Shares being the "**Remaining Shares**"), then the Proposing Transferor will be at liberty for a period of ninety (90) days after the expiration of the Notice Period to transfer to any person any of the Offered Shares that have not been apportioned to Accepting Shareholders pursuant to paragraph 20.3(c); or
  - (ii) have not apportioned any of the Offered Shares pursuant to paragraph 20.3(c) due to the Proposing Transferor refusing to sell in the aggregate less than all the Offered Shares, then the Proposing Transferor will be at liberty for a period of

ninety (90) days after the expiration of the Notice Period to transfer to any person all, but not less than all, of the Offered Shares,

provided that the Proposing Transferor must not sell any of the Offered Shares at a price less than, or on terms more favourable to a purchaser than, those specified in the Transfer Notice.

- (e) The provisions as to transfer of shares contained in this PART 20 do not apply:
- (i) if before the proposed transfer of shares is made, written waivers of the provisions of this PART 20 are obtained from shareholders holding all the issued shares of the class or classes of shares to be transferred;
  - (ii) to a transfer of shares for the purpose of effecting the appointment of a new trustee or trustees for the owner of the shares, if the Board is satisfied that the transfer is solely for that purpose;
  - (iii) to a transmission of shares for the purpose of effecting the registration of the shares of a deceased shareholder in the name or names of the legal personal representatives of that deceased shareholder; or
  - (iv) to a transfer of shares for the purpose of effecting the registration of the shares of a bankrupt shareholder in the name of the trustee in bankruptcy of that bankrupt shareholder.

#### **PART 21 – AUTHORIZED SHARE STRUCTURE**

- 21.1 **Described in Notice of Articles.** The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

#### **PART 22 – RESTRICTIONS ON BUSINESS OR POWERS**

- 22.1 **No Restrictions.** There are no restrictions on the business to be carried on or the powers to be exercised by the Company.

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**PART 23 – SPECIAL RIGHTS AND RESTRICTIONS**

23.1 **Summary.** The rights, privileges, restrictions and conditions attached to the shares of the Company may be summarized as follows:

Class	Par Value	Voting Rights	Dividend Rights	Redemption Rights			Capital Distribution	
				Redeemable	Retractable	Redemption Amount	Priority	Entitlement
A	No	Yes	No	No	No	N/A	4	Amount paid up
B	No	No	Yes	No	No	N/A	5	Amount paid up and then remaining Assets of the Company
C	No	No	Yes	No	No	N/A		
D	No	No	Yes	No	No	N/A		
E	No	No	Yes	No	No	N/A		
F	\$0.01	No	Yes	Yes	Yes	\$10.00	1	Redemption Price and any unpaid dividends
G	\$0.01	No	Yes	Yes	Yes	Amount paid up if issued for cash OR fair market value of property exchanged therefor	2	Redemption Price and any unpaid dividends
H	No	No	Yes	No	No	N/A	3	Amount paid up and any unpaid dividends

The foregoing is a summary only and in the event of any inconsistency between the foregoing summary and the following text, the text will supersede the summary.

23.2 **Class A Voting Non-Participating Shares.** The Class A Voting Non-Participating shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Voting.** The holders of the Class A Voting Non-Participating shares shall be entitled to one vote in respect of each Class A Voting Non-Participating share held at any meetings of the shareholders of the Company except meetings at which only holders of a specified class of shares (other than the Class A Voting Non-Participating shares) are entitled to vote.
- (b) **No Dividends.** The holders of the Class A Voting Non-Participating shares shall not, as such, be entitled to receive dividends.



- (c) **Capital Distribution.** In the event of the liquidation, dissolution or winding up of the Company or other distribution of assets of the Company among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital (any of which events are referred to as a "**Capital Distribution**"), the holders of the Class A Voting Non-Participating shares shall, after the holders of the Class F Non-Voting Preference shares, the Class G Non-Voting Preference shares and the Class H Non-Voting Preference shares (collectively, the "**Preference Shares**") have received payment of the amounts to which they are entitled in accordance with these Articles, be entitled to receive for each Class A Voting Non-Participating share held, the amount paid up thereon. Upon payment of the amounts so payable to them, the holders of the Class A Voting Non-Participating shares shall not be entitled to share in any further distribution of the property or assets of the Company.

23.3 **Class B Non-Voting Participating Shares.** The Class B Non-Voting Participating shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class B Non-Voting Participating shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class B Non-Voting Participating shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class B Non-Voting Participating shares shall be entitled to receive, and the Company shall pay out of profits, capital or otherwise, only those dividends in such amounts as may be declared in the absolute discretion of the directors from time to time in respect of the Class B Non-Voting Participating shares. The directors of the Company shall be at liberty to declare dividends on the Class B Non-Voting Participating shares to the exclusion of any other class or classes of shares of the Company entitled to dividends.
- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class B Non-Voting Participating shares if such declaration or payment would:
- (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.
- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class B Non-Voting Participating shares shall, after the holders of the Preference Shares and the Class A Voting Non-Participating shares have received payment of the amounts to which they are entitled in accordance with these Articles, be entitled to receive for each Class B Non-Voting Participating share held, on an equal basis with the holders of the Class C Non-Voting Participating shares, the Class D Non-Voting Participating shares and the Class E Non-Voting Participating shares, the amount paid up thereon. Thereafter, if there are any remaining property or assets available for distribution, the holders of the Class B Non-Voting Participating shares shall be entitled to share, on an equal basis with the

holders of the Class C Non-Voting Participating shares, the Class D Non-Voting Participating shares and the Class E Non-Voting Participating shares, such property or assets equally on a per share basis without preference or distinction.

23.4 **Class C Non-Voting Participating Shares.** The Class C Non-Voting Participating shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class C Non-Voting Participating shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class C Non-Voting Participating shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class C Non-Voting Participating shares shall be entitled to receive, and the Company shall pay out of profits, capital or otherwise, only those dividends in such amounts as may be declared in the absolute discretion of the directors from time to time in respect of the Class C Non-Voting Participating shares. The directors of the Company shall be at liberty to declare dividends on the Class C Non-Voting Participating shares to the exclusion of any other class or classes of shares of the Company entitled to dividends.
- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class C Non-Voting Participating shares if such declaration or payment would:
  - (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.
- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class C Non-Voting Participating shares shall, after the holders of the Preference Shares and the Class A Voting Non-Participating shares have received payment of the amounts to which they are entitled in accordance with these Articles, be entitled to receive for each Class C Non-Voting Participating share held, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class D Non-Voting Participating shares and the Class E Non-Voting Participating shares, the amount paid up thereon. Thereafter, if there are any remaining property or assets available for distribution, the holders of the Class C Non-Voting Participating shares shall be entitled to share, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class D Non-Voting Participating shares and the Class E Non-Voting Participating shares, such property or assets equally on a per share basis without preference or distinction.

23.5 **Class D Non-Voting Participating Shares.** The Class D Non-Voting Participating shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class D Non-Voting Participating shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class D Non-Voting Participating shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class D Non-Voting Participating shares shall be entitled to receive, and the Company shall pay out of profits, capital or otherwise, only those dividends in such amounts as may be declared in the absolute discretion of the directors from time to time in respect of the Class D Non-Voting Participating shares. The directors of the Company shall be at liberty to declare dividends on the Class D Non-Voting Participating shares to the exclusion of any other class or classes of shares of the Company entitled to dividends.
- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class D Non-Voting Participating shares if such declaration or payment would:
- (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.
- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class D Non-Voting Participating shares shall, after the holders of the Preference Shares and the Class A Voting Non-Participating shares have received payment of the amounts to which they are entitled in accordance with these Articles, be entitled to receive for each Class D Non-Voting Participating share held, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares and the Class E Non-Voting Participating shares, the amount paid up thereon. Thereafter, if there are any remaining property or assets available for distribution, the holders of the Class D Non-Voting Participating shares shall be entitled to share, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares and the Class E Non-Voting Participating shares, such property or assets equally on a per share basis without preference or distinction.
- 23.6 **Class E Non-Voting Participating Shares.** The Class E Non-Voting Participating shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:
- (a) **Non-Voting.** The holders of the Class E Non-Voting Participating shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class E Non-Voting Participating shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class E Non-Voting Participating shares shall be entitled to receive, and the Company shall pay out of profits, capital or otherwise, only those dividends in such amounts as may be declared in

the absolute discretion of the directors from time to time in respect of the Class E Non-Voting Participating shares. The directors of the Company shall be at liberty to declare dividends on the Class E Non-Voting Participating shares to the exclusion of any other class or classes of shares of the Company entitled to dividends.

(c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class E Non-Voting Participating shares if such declaration or payment would:

- (i) contravene any applicable statute, regulation or rule of law or equity; or
- (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.

(d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class E Non-Voting Participating shares shall, after the holders of the Preference Shares and the Class A Voting Non-Participating shares have received payment of the amounts to which they are entitled in accordance with these Articles, be entitled to receive for each Class E Non-Voting Participating share held, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares and the Class D Non-Voting Participating shares, the amount paid up thereon. Thereafter, if there are any remaining property or assets available for distribution, the holders of the Class E Non-Voting Participating shares shall be entitled to share, on an equal basis with the holders of the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares and the Class D Non-Voting Participating shares, such property or assets equally on a per share basis without preference or distinction.

23.7 **Class F Non-Voting Preference Shares.** The Class F Non-Voting Preference shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class F Non-Voting Preference shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class F Non-Voting Preference shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class F Non-Voting Preference shares shall in each year, in the discretion of the directors, be entitled, out of any or all profits, capital or otherwise, to receive non-cumulative dividends at the rate determined by the directors of the Company at the time of declaring such dividend, provided that in the absence of such determination the rate shall be five per cent (5%) per annum on the aggregate Class F Non-Voting Preference Redemption Price (defined below). Except as provided in paragraph 23.7(k) hereof, the holders of the Class F Non-Voting Preference shares shall not be entitled to any dividends other than or in excess of the non-cumulative dividends herein provided for. The directors of the Company shall be at liberty to declare dividends on the Class F Non-Voting Preference shares to the exclusion of any class or classes of shares of the Company entitled to dividends.

- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class F Non-Voting Preference shares if such declaration or payment would:
- (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.
- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class F Non-Voting Preference shares shall be entitled to receive in respect of each Class F Non-Voting Preference share held, an amount equal to the Class F Non-Voting Preference Redemption Price together with any accrued but unpaid cumulative dividends and all declared but unpaid non-cumulative dividends, before any amount shall be paid or any property or assets of the Company distributed to the holders of the Class A Voting Non-Participating shares, the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares, the Class D Non-Voting Participating shares, the Class E Non-Voting Participating Shares, the Class G Non-Voting Preference shares or the Class H Non-Voting Preference shares. Upon payment of the amounts so payable to them, the holders of the Class F Non-Voting Preference shares shall not be entitled to share in any further distribution of the property or assets of the Company.
- (e) **Class F Non-Voting Preference Redemption Price.** For the purposes hereof, the "Class F Non-Voting Preference Redemption Price" in respect of each Class F Non-Voting Preference share shall be TEN DOLLARS (\$10.00).
- (f) **Redeemable at Company's Option.** The Company may at any time, upon giving a redemption notice as hereinafter provided, redeem the whole or, from time to time, any part of the Class F Non-Voting Preference shares then outstanding by payment of the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference share to be redeemed. It shall not be necessary for any redemption of Class F Non-Voting Preference shares by the Company to be made on a pro rata basis and, accordingly, the number of Class F Non-Voting Preference shares to be redeemed may be selected by the directors in their absolute discretion.
- (g) **Redemption Procedure by Company.** If, pursuant to paragraph 23.7(f), the Company desires to redeem all or a portion of the Class F Non-Voting Preference shares outstanding:
- (i) **Notice** - The Company shall, at least thirty (30) days before the date specified for redemption (the "Class F Non-Voting Preference Redemption Date"), mail to each person who at the date of mailing is a registered holder of the Class F Non-Voting Preference shares to be redeemed (the "Class F Non-Voting Preference Redeemable Shares"), a notice in writing (the "Class F Non-Voting Preference Redemption Notice") of the intention of the Company to redeem the Class F Non-Voting Preference Redeemable Shares. The Class F Non-Voting Preference Redemption Notice shall be mailed in a prepaid envelope addressed to each such shareholder at the shareholder's address as it appears in the central securities register of the Company or, if the central securities register does not have an

address for the shareholder, then to the last known address of the shareholder, provided that the accidental failure to give any notice to one or more shareholders shall not affect the validity of the redemption. The Class F Non-Voting Preference Redemption Notice shall set out the Class F Non-Voting Preference Redemption Price for the Class F Non-Voting Preference Redeemable Shares to be redeemed, the Class F Non-Voting Preference Redemption Date and, if only part of the Class F Non-Voting Preference shares held by a shareholder is to be redeemed, the number thereof to be redeemed.

- (ii) **Payment** - On the Class F Non-Voting Preference Redemption Date, the Company shall pay or cause to be paid to or to the order of the registered holders of the Class F Non-Voting Preference Redeemable Shares to be redeemed the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Redeemable Share to be redeemed on presentation and surrender, at the registered office of the Company or at any other place designated in the Class F Non-Voting Preference Redemption Notice, of the certificate or certificates for the Class F Non-Voting Preference Redeemable Shares called for redemption. The Class F Non-Voting Preference Redeemable Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Class F Non-Voting Preference shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.
- (iii) **Rights** - From and after the Class F Non-Voting Preference Redemption Date, the holders of the Class F Non-Voting Preference Redeemable Shares called for redemption shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Redeemable Share to be redeemed is not made upon presentation of the share certificates in accordance with the foregoing provisions, in which case the rights of the holders thereof shall remain unaffected until payment of the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Redeemable Share to be redeemed is made.
- (iv) **Failure to Present** - If the holders of any Class F Non-Voting Preference Redeemable Shares fail to present, on the Class F Non-Voting Preference Redemption Date, the certificate or certificates representing any Class F Non-Voting Preference Redeemable Shares, the Company shall have the right to deposit the Class F Non-Voting Preference Redemption Price for each of those Class F Non-Voting Preference Redeemable Shares with the solicitors for the Company to be held in trust and to be paid without interest to or to the order of the respective holders of the Class F Non-Voting Preference Redeemable Shares upon presentation and surrender to such solicitors of the certificate or certificates representing the Class F Non-Voting Preference Redeemable Shares. Upon that deposit being made, the Class F Non-Voting Preference Redeemable Shares in respect of which the deposit was made shall be deemed to be redeemed, shall be cancelled and the rights of the holders thereof after the deposit shall be limited to receiving without interest their proportionate part of the aggregate Class F Non-Voting Preference Redemption Price deposited less any charges of the solicitors for the Company against presentation and surrender of the certificate or certificates representing the Class F Non-Voting Preference Redeemable Shares held by them respectively.

- (v) **Waiver** - Notwithstanding the foregoing, the holders of the Class F Non-Voting Preference Redeemable Shares may waive notice of any redemption by instrument or instruments in writing.
- (h) **Redeemable at Holder's Option**. Any holder of Class F Non-Voting Preference shares may, by giving a Class F Non-Voting Preference Retraction Notice as hereinafter provided, require the Company to redeem at any time the whole or, from time to time, any part of the Class F Non-Voting Preference shares held by that holder upon payment of the Class F Non-Voting Preference Redemption Price for each share to be redeemed.
- (i) **Redemption Procedure by Holder**. If, pursuant to paragraph 23.7(h), any holder of Class F Non-Voting Preference shares desires the Company to redeem all or any part of the Class F Non-Voting Preference shares registered in the name of that holder:
- (i) **Notice** - That holder shall, at least sixty (60) days before the date specified for redemption (the "**Class F Non-Voting Preference Retraction Date**"), give written notice thereof (the "**Class F Non-Voting Preference Retraction Notice**") to the Company at its registered office. The notice shall set out the date on which the redemption is to take place and, if only part of the Class F Non-Voting Preference shares held by that holder is to be redeemed, the number thereof to be redeemed (the "**Class F Non-Voting Preference Retractable Shares**").
- (ii) **Payment** - On the Class F Non-Voting Preference Retraction Date, the Company shall pay or cause to be paid to or to the order of that holder the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Retractable Share to be redeemed on presentation and surrender at the registered office of the Company of the certificate or certificates for the Class F Non-Voting Preference Retractable Shares called for redemption. The Class F Non-Voting Preference Retractable Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Class F Non-Voting Preference shares represented by a certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.
- (iii) **Failure to Present** - If any holder of Class F Non-Voting Preference Retractable Shares called for redemption fails to present, on the Class F Non-Voting Preference Retraction Date, the certificate or certificates for the Class F Non-Voting Preference Retractable Shares to be redeemed, the Company shall have the right to deposit the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Retractable Share to be redeemed with the solicitors for the Company to be held in trust and to be paid without interest to or to the order of that holder upon presentation and surrender to such solicitors of the certificate or certificates representing the Class F Non-Voting Preference Retractable Shares called for redemption. Upon that deposit being made, the Class F Non-Voting Preference Retractable Shares in respect of which the deposit was made, shall be deemed to be redeemed, shall be cancelled and the rights of the holder after the deposit shall be limited to receiving without interest the holder's proportionate share of the aggregate Class F Non-Voting Preference Redemption Price deposited less any charges of the solicitors for the Company against presentation and surrender of the certificate or certificates for the Class F Non-Voting Preference Retractable Shares called for redemption.

- (iv) **Redemption Prevented by Law** - If the Company shall be prevented by operation of law from redeeming any Class F Non-Voting Preference Retractable Shares pursuant to a request for redemption by a holder of such shares pursuant to a Class F Non-Voting Preference Retraction Notice under this paragraph 23.7(i), the Company shall notify the holder of the Class F Non-Voting Preference Retractable Shares, specifying the nature of the disability. The Company may defer the redemption so long as the disability continues but shall use its commercially reasonable efforts to remove the cause of such disability and as soon as such disability ceases to apply, the Company shall effect the redemption in accordance with the original Class F Non-Voting Preference Retraction Notice from the holder of the Class F Non-Voting Preference Retractable Shares. For greater certainty, so long as the disability continues, the Company shall not be required to pay, and the holder of the Class F Non-Voting Preference Retractable Shares shall not be entitled to receive, Class F Non-Voting Preference Cumulative Dividends (defined below) in accordance with paragraph 23.7(k) and no such Class F Non-Voting Preference Cumulative Dividends shall accrue in respect of the Class F Non-Voting Preference Retractable Shares until the disability ceases to apply and the Company fails to redeem the Class F Non-Voting Preference Retractable Shares as more particularly provided in paragraph 23.7(k).
- (v) **Waiver** - Notwithstanding the foregoing, the Company may waive notice of any redemption by instrument or instruments in writing.
- (j) **Restriction on Redemption Rights**. Nothing herein shall be deemed to permit or oblige the Company to, and the Company shall not, redeem or repurchase Class F Non-Voting Preference shares of the Company if the redemption or repurchase would contravene any applicable statute, regulation or rule of law or equity.
- (k) **Failure to Redeem**. If the Company fails to redeem the Class F Non-Voting Preference Retractable Shares on or before the later of (the "Class F Non-Voting Preference Trigger Date"):
- (i) the sixtieth (60<sup>th</sup>) day following the date specified for redemption pursuant to paragraph 23.7(i)(i); and
  - (ii) the date the disability, if any, ceases to apply as set out in paragraph 23.7(i)(iv),

the holder of the Class F Non-Voting Preference Retractable Shares, in addition to any other rights the holder may have against the Company at law or in equity for failing to redeem the Class F Non-Voting Preference Retractable Shares, shall be entitled, for each Class F Non-Voting Preference Retractable Share which is not redeemed, out of any or all profits, capital or otherwise, in preference and priority to the payment of non-cumulative dividends on any other class of shares of the Company, to receive cumulative dividends (the "Class F Non-Voting Preference Cumulative Dividends") accruing at a rate not to exceed five per cent (5%) per annum on the aggregate Class F Non-Voting Preference Redemption Price. The Class F Non-Voting Preference Cumulative Dividends shall accrue from the Class F Non-Voting Preference Trigger Date and shall be payable on the last day of each month following the Class F Non-Voting Preference Trigger Date until payment of the Class F Non-Voting Preference Redemption Price for each Class F Non-Voting Preference Retractable Share has been made.



23.8 **Class G Non-Voting Preference Shares.** The Class G Non-Voting Preference shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class G Non-Voting Preference shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class G Non-Voting Preference shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class G Non-Voting Preference shares shall in each year, in the discretion of the directors, be entitled, out of any or all profits, capital or otherwise, to receive non-cumulative dividends at the rate determined by the directors of the Company at the time of declaring such dividend, provided that in the absence of such determination the rate shall be five per cent (5%) per annum on the aggregate Class G Non-Voting Preference Redemption Price (defined below). Except as provided in paragraph 23.8(k) hereof, the holders of the Class G Non-Voting Preference shares shall not be entitled to any dividends other than or in excess of the non-cumulative dividends herein provided for. The directors of the Company shall be at liberty to declare dividends on the Class G Non-Voting Preference shares to the exclusion of any class or classes of shares of the Company entitled to dividends.
- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class G Non-Voting Preference shares if such declaration or payment would:
  - (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.
- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class G Non-Voting Preference shares shall be entitled to receive in respect of each Class G Non-Voting Preference share held, an amount equal to the Class G Non-Voting Preference Redemption Price together with any accrued but unpaid cumulative dividends and all declared but unpaid non-cumulative dividends, before any amount shall be paid or any property or assets of the Company distributed to the holders of the Class A Voting Non-Participating shares, the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares, the Class D Non-Voting Participating shares, the Class E Non-Voting Participating Shares or the Class H Non-Voting Preference shares but after the holders of the Class F Non-Voting Preference shares have received payment of the amounts to which they are entitled in accordance with the Articles. Upon payment of the amounts so payable to them, the holders of the Class G Non-Voting Preference shares shall not be entitled to share in any further distribution of the property or assets of the Company.
- (e) **Class G Non-Voting Preference Redemption Price.** For the purposes hereof and subject to all the provisions of paragraph 23.8(l), the "Class G Non-Voting Preference Redemption Price" in respect of each Class G Non-Voting Preference share shall be:

- (i) if it was issued for cash, the amount paid-up thereon; or
  - (ii) if it was issued in exchange for property acquired by the Company or in exchange for the surrender of any other shares of the Company (in either case, the "Property"), the amount designated by the directors of the Company as the fair market value of the Property for the purposes of the exchange less an amount equal to the aggregate of any cash paid, promissory note issued and indebtedness assumed by the Company in partial payment for the Property (the "Deducted Amount"), all divided by the number of Class G Non-Voting Preference shares issued in exchange therefor (the "Subject Class G Non-Voting Preference Shares");
- (f) **Redeemable at Company's Option.** The Company may at any time, upon giving a redemption notice as hereinafter provided, redeem the whole or, from time to time, any part of the Class G Non-Voting Preference shares then outstanding by payment of the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference share to be redeemed. It shall not be necessary for any redemption of Class G Non-Voting Preference shares by the Company to be made on a pro rata basis and, accordingly, the number of Class G Non-Voting Preference shares to be redeemed may be selected by the directors in their absolute discretion.
- (g) **Redemption Procedure by Company.** If, pursuant to paragraph 23.8(f), the Company desires to redeem all or a portion of the Class G Non-Voting Preference shares outstanding:
- (i) **Notice** - The Company shall, at least thirty (30) days before the date specified for redemption (the "Class G Non-Voting Preference Redemption Date"), mail to each person who at the date of mailing is a registered holder of the Class G Non-Voting Preference shares to be redeemed (the "Class G Non-Voting Preference Redeemable Shares"), a notice in writing (the "Class G Non-Voting Preference Redemption Notice") of the intention of the Company to redeem the Class G Non-Voting Preference Redeemable Shares. The Class G Non-Voting Preference Redemption Notice shall be mailed in a prepaid envelope addressed to each such shareholder at the shareholder's address as it appears in the central securities register of the Company or, if the central securities register does not have an address for the shareholder, then to the last known address of the shareholder, provided that the accidental failure to give any notice to one or more shareholders shall not affect the validity of the redemption. The Class G Non-Voting Preference Redemption Notice shall set out the Class G Non-Voting Preference Redemption Price for the Class G Non-Voting Preference Redeemable Shares to be redeemed, the Class G Non-Voting Preference Redemption Date and, if only part of the Class G Non-Voting Preference shares held by a shareholder is to be redeemed, the number thereof to be redeemed.
  - (ii) **Payment** - On the Class G Non-Voting Preference Redemption Date, the Company shall pay or cause to be paid to or to the order of the registered holders of the Class G Non-Voting Preference Redeemable Shares to be redeemed the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Redeemable Share to be redeemed on presentation and surrender, at the registered office of the Company or at any other place designated in the Class G Non-Voting Preference Redemption Notice, of the certificate or certificates for

the Class G Non-Voting Preference Redeemable Shares called for redemption. The Class G Non-Voting Preference Redeemable Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Class G Non-Voting Preference shares represented by any certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.

- (iii) **Rights** - From and after the Class G Non-Voting Preference Redemption Date, the holders of the Class G Non-Voting Preference Redeemable Shares called for redemption shall not be entitled to exercise any of the rights of shareholders in respect thereof unless payment of the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Redeemable Share to be redeemed is not made upon presentation of the share certificates in accordance with the foregoing provisions, in which case the rights of the holders thereof shall remain unaffected until payment of the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Redeemable Share to be redeemed is made.
- (iv) **Failure to Present** - If the holders of any Class G Non-Voting Preference Redeemable Shares fail to present, on the Class G Non-Voting Preference Redemption Date, the certificate or certificates representing any Class G Non-Voting Preference Redeemable Shares, the Company shall have the right to deposit the Class G Non-Voting Preference Redemption Price for each of those Class G Non-Voting Preference Redeemable Shares with the solicitors for the Company to be held in trust and to be paid without interest to or to the order of the respective holders of the Class G Non-Voting Preference Redeemable Shares upon presentation and surrender to such solicitors of the certificate or certificates representing the Class G Non-Voting Preference Redeemable Shares. Upon that deposit being made, the Class G Non-Voting Preference Redeemable Shares in respect of which the deposit was made shall be deemed to be redeemed, shall be cancelled and the rights of the holders thereof after the deposit shall be limited to receiving without interest their proportionate part of the aggregate Class G Non-Voting Preference Redemption Price deposited less any charges of the solicitors for the Company against presentation and surrender of the certificate or certificates representing the Class G Non-Voting Preference Redeemable Shares held by them respectively.
- (v) **Waiver** - Notwithstanding the foregoing, the holders of the Class G Non-Voting Preference Redeemable Shares may waive notice of any redemption by instrument or instruments in writing.
- (h) **Redeemable at Holder's Option**. Any holder of Class G Non-Voting Preference shares may, by giving a Class G Non-Voting Preference Retraction Notice as hereinafter provided, require the Company to redeem at any time the whole or, from time to time, any part of the Class G Non-Voting Preference shares held by that holder upon payment of the Class G Non-Voting Preference Redemption Price for each share to be redeemed.
- (i) **Redemption Procedure by Holder**. If, pursuant to paragraph 23.8(h), any holder of Class G Non-Voting Preference shares desires the Company to redeem all or any part of the Class G Non-Voting Preference shares registered in the name of that holder:

- (i) **Notice** - That holder shall, at least sixty (60) days before the date specified for redemption (the "Class G Non-Voting Preference Retraction Date"), give written notice thereof (the "Class G Non-Voting Preference Retraction Notice") to the Company at its registered office. The notice shall set out the date on which the redemption is to take place and, if only part of the Class G Non-Voting Preference shares held by that holder is to be redeemed, the number thereof to be redeemed (the "Class G Non-Voting Preference Retractable Shares").
- (ii) **Payment** - On the Class G Non-Voting Preference Retraction Date, the Company shall pay or cause to be paid to or to the order of that holder the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Retractable Share to be redeemed on presentation and surrender at the registered office of the Company of the certificate or certificates for the Class G Non-Voting Preference Retractable Shares called for redemption. The Class G Non-Voting Preference Retractable Shares shall thereupon be deemed to be redeemed and shall be cancelled. If a part only of the Class G Non-Voting Preference shares represented by a certificate is redeemed, a new certificate for the balance shall be issued at the expense of the Company.
- (iii) **Failure to Present** - If any holder of Class G Non-Voting Preference Retractable Shares called for redemption fails to present, on the Class G Non-Voting Preference Retraction Date, the certificate or certificates for the Class G Non-Voting Preference Retractable Shares to be redeemed, the Company shall have the right to deposit the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Retractable Share to be redeemed with the solicitors for the Company to be held in trust and to be paid without interest to or to the order of that holder upon presentation and surrender to such solicitors of the certificate or certificates representing the Class G Non-Voting Preference Retractable Shares called for redemption. Upon that deposit being made, the Class G Non-Voting Preference Retractable Shares in respect of which the deposit was made, shall be deemed to be redeemed, shall be cancelled and the rights of the holder after the deposit shall be limited to receiving without interest the holder's proportionate share of the aggregate Class G Non-Voting Preference Redemption Price deposited less any charges of the solicitors for the Company against presentation and surrender of the certificate or certificates for the Class G Non-Voting Preference Retractable Shares called for redemption.
- (iv) **Redemption Prevented by Law** - If the Company shall be prevented by operation of law from redeeming any Class G Non-Voting Preference Retractable Shares pursuant to a request for redemption by a holder of such shares pursuant to a Class G Non-Voting Preference Retraction Notice under this paragraph 23.8(i), the Company shall notify the holder of the Class G Non-Voting Preference Retractable Shares, specifying the nature of the disability. The Company may defer the redemption so long as the disability continues but shall use its commercially reasonable efforts to remove the cause of such disability and as soon as such disability ceases to apply, the Company shall effect the redemption in accordance with the original Class G Non-Voting Preference Retraction Notice from the holder of the Class G Non-Voting Preference Retractable Shares. For greater certainty, so long as the disability continues, the Company shall not be required to pay, and the holder of the Class G Non-Voting

Preference Retractable Shares shall not be entitled to receive, Class G Non-Voting Preference Cumulative Dividends (defined below) in accordance with paragraph 23.8(k) and no such Class G Non-Voting Preference Cumulative Dividends shall accrue in respect of the Class G Non-Voting Preference Retractable Shares until the disability ceases to apply and the Company fails to redeem the Class G Non-Voting Preference Retractable Shares as more particularly provided in paragraph 23.8(k).

- (v) **Waiver** - Notwithstanding the foregoing, the Company may waive notice of any redemption by instrument or instruments in writing.
- (j) **Restriction on Redemption Rights.** Nothing herein shall be deemed to permit or oblige the Company to, and the Company shall not, redeem or repurchase Class G Non-Voting Preference shares of the Company if the redemption or repurchase would contravene any applicable statute, regulation or rule of law or equity.
- (k) **Failure to Redeem.** If the Company fails to redeem the Class G Non-Voting Preference Retractable Shares on or before the later of (the "Class G Non-Voting Preference Trigger Date"):
  - (i) the sixtieth (60<sup>th</sup>) day following the date specified for redemption pursuant to paragraph 23.8(i)(i); and
  - (ii) the date the disability, if any, ceases to apply as set out in paragraph 23.8(i)(iv),

the holder of the Class G Non-Voting Preference Retractable Shares, in addition to any other rights the holder may have against the Company at law or in equity for failing to redeem the Class G Non-Voting Preference Retractable Shares, shall be entitled, for each Class G Non-Voting Preference Retractable Share which is not redeemed, out of any or all profits, capital or otherwise, in preference and priority to the payment of non-cumulative dividends on any other class of shares of the Company, to receive cumulative dividends (the "Class G Non-Voting Preference Cumulative Dividends") accruing at a rate not to exceed five per cent (5%) per annum on the aggregate Class G Non-Voting Preference Redemption Price. The Class G Non-Voting Preference Cumulative Dividends shall accrue from the Class G Non-Voting Preference Trigger Date and shall be payable on the last day of each month following the Class G Non-Voting Preference Trigger Date until payment of the Class G Non-Voting Preference Redemption Price for each Class G Non-Voting Preference Retractable Share has been made.

- (l) **Price Adjustment.** If:
  - (1) the Company and the holders of the Subject Class G Non-Voting Preference Shares agree that the aggregate fair market value of the Property less the Deducted Amount is an amount other than the aggregate Class G Non-Voting Preference Redemption Price of the Subject Class G Non-Voting Preference Shares as determined and designated by the directors of the Company (the "Subject Class G Non-Voting Preference Redemption Price"); or
  - (2) any federal or provincial taxing authority assesses or reassesses the Company or a holder or former holder of the Subject Class G Non-Voting Preference Shares on the basis of a determination that the aggregate fair market value of the

Property less the Deducted Amount is an amount other than the aggregate of the Subject Class G Non-Voting Preference Redemption Price of the Subject Class G Non-Voting Preference Shares, and the assessment or reassessment is not disputed by the Company or the holder or former holder or, if the assessment or reassessment is disputed, a final settlement is reached with the applicable taxing authority or a court of competent jurisdiction makes a final determination that the value of the Property less the Deducted Amount at the effective time of the exchange is an amount other than the aggregate of the Subject Class G Non-Voting Preference Redemption Price of the Subject Class G Non-Voting Preference Shares

(any one of which events is herein called the "**Class G Non-Voting Preference Final Determination**"), then the aggregate fair market value of the Property as determined by the Class G Non-Voting Preference Final Determination less the Deducted Amount, divided by the number of the Subject Class G Non-Voting Preference Shares issued in exchange therefor shall be the "**New Class G Non-Voting Preference Redemption Price**" and the following shall apply:

- (i) **No Redemption** - If none of the Subject Class G Non-Voting Preference Shares have been redeemed, the Subject Class G Non-Voting Preference Redemption Price of each of the Subject Class G Non-Voting Preference Shares shall be increased or decreased nunc pro tunc, as the case may be, to the New Class G Non-Voting Preference Redemption Price provided that if the New Class G Non-Voting Preference Redemption Price is zero or a negative number, the Subject Class G Non-Voting Preference Redemption Price for each of the Subject Class G Non-Voting Preference Shares shall be zero and, if the New Class G Non-Voting Preference Redemption Price is a negative number, the holder or holders of the Subject Class G Non-Voting Preference Shares shall pay, in respect of each Subject Class G Non-Voting Preference Share held, in cash and on demand, to the Company an amount equal to the amount required to bring the New Class G Non-Voting Preference Redemption Price to zero.
- (ii) **All or Partial Redemption** - If at the time of the Class G Non-Voting Preference Final Determination all or some of the Subject Class G Non-Voting Preference Shares have been redeemed prior to the Class G Non-Voting Preference Final Determination, the following adjustments shall be made:
  - (A) if the New Class G Non-Voting Preference Redemption Price is zero or a negative number, the Subject Class G Non-Voting Preference Redemption Price for each of the remaining Subject Class G Non-Voting Preference Shares, if any, shall be zero and, if the New Class G Non-Voting Preference Redemption Price is a negative number, the holder or holders of the remaining Subject Class G Non-Voting Preference Shares shall pay in respect of each Subject Class G Non-Voting Preference Share held, in cash and on demand, to the Company an amount equal to the amount required to bring the New Class G Non-Voting Preference Redemption Price to zero. The holder or holders of the Subject Class G Non-Voting Preference Shares previously redeemed shall pay in respect of each Subject Class G Non-Voting Preference Share previously redeemed, in cash and on demand, to the Company an amount equal to the sum of (i) the Subject Class G Non-Voting Preference Redemption

Price previously paid by the Company for the redemption of that Subject Class G Non-Voting Preference Share, and (ii) the amount required to bring the New Class G Non-Voting Preference Redemption Price to zero if the New Class G Non-Voting Preference Redemption Price is a negative number; or

- (B) if the New Class G Non-Voting Preference Redemption Price is a positive number, the Subject Class G Non-Voting Preference Redemption Price for each of the remaining Subject Class G Non-Voting Preference Shares, if any, shall be increased or decreased, as the case may be, *nunc pro tunc*, to the New Class G Non-Voting Preference Redemption Price. If the New Class G Non-Voting Preference Redemption Price is less than the Subject Class G Non-Voting Preference Redemption Price, the holder or holders of the Subject Class G Non-Voting Preference Shares previously redeemed shall pay, in respect of each Subject Class G Non-Voting Preference Share previously redeemed, in cash and on demand, to the Company an amount equal to the amount by which the Subject Class G Non-Voting Preference Redemption Price previously paid for the redemption of that Subject Class G Non-Voting Preference Share exceeds the New Class G Non-Voting Preference Redemption Price. If the New Class G Non-Voting Preference Redemption Price is greater than the Subject Class G Non-Voting Preference Redemption Price, the Company shall pay, in respect of each Subject Class G Non-Voting Preference Share previously redeemed, in cash and on demand, to the holder or holders of the previously redeemed Subject Class G Non-Voting Preference Shares, an amount equal to the amount by which the New Class G Non-Voting Preference Redemption Price exceeds the Subject Class G Non-Voting Preference Redemption Price previously paid for the redemption of that Subject Class G Non-Voting Preference Share.

- (iii) **Independent Adjustments** - In the event that there is more than one holder of the Subject Class G Non-Voting Preference Shares and the Subject Class G Non-Voting Preference Shares have been redeemed other than on a *pro rata* basis, then the adjustments contemplated in this paragraph 23.8(1)(iii) shall be made on an independent basis as if the Subject Class G Non-Voting Preference Shares held by each holder were all of the Subject Class G Non-Voting Preference Shares and that the Company had received, in exchange for the Subject Class G Non-Voting Preference Shares held by each holder, respectively, only that portion of the Property which is equal to the proportion that the number of Subject Class G Non-Voting Preference Shares held by each holder bears to the total number of Subject Class G Non-Voting Preference Shares.

- (m) **Adjustment of Dividends**. In the event that the Class G Non-Voting Preference Redemption Price is adjusted pursuant to paragraph 23.8(1), the amount of dividends declared and paid or declared and unpaid or accrued on the Subject Class G Non-Voting Preference Shares shall be adjusted with reference to the adjusted Class G Non-Voting Preference Redemption Price, in order that the effect of any adjustment made shall be to place the holders or former holders of the Subject Class G Non-Voting Preference Shares and the Company in the same position as they would have been in had the Class G Non-Voting Preference Redemption Price before adjustment been equal to the Class G Non-

Voting Preference Redemption Price after adjustment. Any monetary adjustments shall be a debt payable on demand by the holders of the Subject Class G Non-Voting Preference Shares to the Company or by the Company to the holders of the Subject Class G Non-Voting Preference Shares, as may be required.

- (n) **Acknowledgement by Holder.** Before redeeming any Subject Class G Non-Voting Preference Shares the directors of the Company shall be entitled to receive from each holder of those Subject Class G Non-Voting Preference Shares to be redeemed a document containing an acknowledgement of the terms of paragraph 23.8(l) and a commitment under seal that the holder will be bound by those terms, which commitment shall be binding on the holder and the holder's heirs, executors, administrators, representatives, successors and assigns.

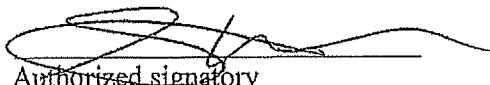
23.9 **Class H Non-Voting Preference Shares.** The Class H Non-Voting Preference shares shall confer on the holders thereof and shall be subject to the following rights, privileges, restrictions and conditions:

- (a) **Non-Voting.** The holders of the Class H Non-Voting Preference shares shall not, as such, have any voting rights for the election of directors or for any other purpose and shall not be entitled to receive notice of, or to attend, any shareholders' meetings other than in respect of separate meetings of the holders of such Class H Non-Voting Preference shares.
- (b) **Dividends.** Subject to paragraphs 23.7(k) and 23.8(k), the holders of the Class H Non-Voting Preference shares shall be entitled to receive, and the Company shall pay out of profits, capital or otherwise, only those dividends in such amounts as may be declared in the absolute discretion of the directors from time to time in respect of the Class H Non-Voting Preference shares. The directors of the Company shall be at liberty to declare dividends on the Class H Non-Voting Preference shares to the exclusion of any other class or classes of shares of the Company entitled to dividends.
- (c) **Restrictions on Dividends.** The directors shall not declare or pay a dividend on the Class H Non-Voting Preference shares if such declaration or payment would:
- (i) contravene any applicable statute, regulation or rule of law or equity; or
  - (ii) reduce the net assets of the Company below the aggregate of the Class F Non-Voting Preference Redemption Price in respect of the Class F Non-Voting Preference shares issued and outstanding at that time and the Class G Non-Voting Preference Redemption Price in respect of the Class G Non-Voting Preference shares issued and outstanding at that time.

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- (d) **Capital Distribution.** In the event of a Capital Distribution, the holders of the Class H Non-Voting Preference shares shall be entitled to receive in respect of each Class H Non-Voting Preference share held, the amount paid up thereon together with all declared but unpaid dividends, before any amount shall be paid or any property or assets of the Company distributed to the holders of the Class A Voting Non-Participating shares, the Class B Non-Voting Participating shares, the Class C Non-Voting Participating shares, the Class D Non-Voting Participating shares or the Class E Non-Voting Participating Shares, but after the holders of the Class F Non-Voting Preference shares and the Class G Non-Voting Preference shares have received payment of the amounts to which they are entitled in accordance with the Articles. Upon payment of the amounts so payable to them, the holders of the Class H Non-Voting Preference shares shall not be entitled to share in any further distribution of the property or assets of the Company.

Full name and signature of each Incorporator	Date of Signing
MAGELLAN MANAGEMENT LTD.  Per:  Authorized signatory	October 4, 2016

## CENTRAL SECURITIES REGISTER

## SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.

## Class A Voting Non-Participating shares without par value

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company		
							Cash or Other	Cash	Other Than Cash Particulars [Cancel detail/s]
Oct 4, 2016	Oct 4, 2016	Magellan Management Ltd. #225 - 20316 56 Avenue Langley, BC V3A 3Y7 (Incorporator)	1	Allotment (1)		1A	Cash	\$0.00 1	[1 transferred to Ryan Richard Moreno (SC#2A)]
Oct 4, 2016	Dec 8, 2017	Ryan Richard Moreno 1268 216 Street Langley, BC V2Z 1R2	1,200	Transfer (1) Allotment (1,199)	Magellan Management Ltd. (SC#1A)	2A	Cash	\$0.00 1	[600 transferred to Ad Prolem Capital Investments Ltd. (SC#3A)] [300 transferred to Joseph Bourque Investments Ltd. (SC#4A)] [300 transferred to George Tachejian (SC#5A)]
Dec 8, 2017		Ad Prolem Capital Investments Ltd. c/o 8410 - 160 Street Surrey, BC V4N 0V7	600	Transfer (600)	Ryan Richard Moreno (SC#2A)	3A			
Dec 8, 2017		Joseph Bourque Investments Ltd. c/o 8410 - 160 Street Surrey, BC V4N 0V7	300	Transfer (300)	Ryan Richard Moreno (SC#2A)	4A			

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Paid Per Share Other Than Cash Particulars <i>[Cancel details]</i>	
Dec 8, 2017		George Tachejian 27126 -- 35B Avenue Langley, BC V4W 0C3	300	Transfer (300)	Ryan Richard Moreno (SC#2A)	5A				
<b>Total issued:</b>							<b>1,200</b>			

**CENTRAL SECURITIES REGISTER**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

**Class B Non-Voting Participating shares without par value**

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company		
							Cash or Other	Cash	Other Than Cash Particulars [Cancel details]
Oct 4, 2016	Feb 3, 2017	Ryan Moreno 1268 216 Street Langley, BC V2Z 1R2	1,200	Allotment (1,200)		1B	Cash	\$0.01	[60 transferred to Michael Kravetz (SC#2B) Balance to SC#3B]
Feb 3, 2017	Oct 18, 2018	Michael Kravetz 5501 Salt Lane Langley, BC V3A 5E9	60	Transfer (60)	Ryan Moreno (SC#1B)	2B			[60 transferred to Joseph Richard Hospitality Group Ltd. (SC#7B)]
Feb 3, 2017	Dec 8, 2017	Ryan Moreno 1268 216 Street Langley, BC V2Z 1R2	1,140	Balance remaining after transfer	Self (SC#1B)	3B			[300 transferred to Ad Prolem Capital Investments Ltd. (SC#4B)] [195 transferred to Joseph Bourque Investments Ltd. (SC#5B)] [105 transferred to George Tachejian (SC#6B)] [540 repurchased by company (540 from SC#3B)]
Dec 8, 2017		Ad Prolem Capital Investments Ltd. 8410 160 Street Surrey, BC V4N 0V7	300	Transfer (300)	Ryan Moreno (SC#3B)	4B			

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Paid Per Share Other Than Cash Particulars [Cancel details]	
Dec 8, 2017		Joseph Bourque Investments Ltd. c/o 8410 - 160 Street Surrey, BC V4N 0V7	195	Transfer (195)	Ryan Moreno (SC#3B)	5B				
Dec 8, 2017		George Tachejian 27126 - 35B Avenue Langley, BC V4W 0C3	105	Transfer (105)	Ryan Moreno (SC#3B)	6B				
Oct 18, 2018		Joseph Richard Hospitality Group Ltd. 8410 160 Street Surrey, BC V4N 0V7	60	Transfer (60)	Michael Kravetz (SC#2B)	7B				
<b>Total issued:</b>							<b>660</b>			

## CENTRAL SECURITIES REGISTER

## SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.

## Class C Non-Voting Participating shares without par value

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company		
							Cash or Other	Cash	Other Than Cash Particulars [Cancel details]
Dec 8, 2017	Oct 18, 2018	1143984 B.C. Ltd. 304, 20338 65th Avenue Langley, BC V2Y 2X3	240	Allotment (240)		1C	Cash	\$0.01	[240 transferred to Joseph Richard Hospitality Group Ltd. (SC#7C)]
Dec 8, 2017		0947028 B.C. Ltd. 987 Parker Street White Rock, BC V4B 4R5	60	Allotment (60)		2C	Cash	\$0.01	
Dec 8, 2017	Oct 18, 2018	Brian Dougherty Holdings Ltd. c/o 304 - 20338 65 Avenue Langley, BC V2Y 2X3	30	Allotment (30)		3C	Cash	\$0.01	[30 transferred to Joseph Richard Hospitality Group Ltd. (SC#7C)]
Dec 8, 2017	Oct 18, 2018	Michael Dougherty Holdings Ltd. 304 - 20338 65 Avenue Langley, BC V2Y 2X3	30	Allotment (30)		4C	Cash	\$0.01	[30 transferred to Joseph Richard Hospitality Group Ltd. (SC#7C)]
Dec 8, 2017	Oct 18, 2018	Caljay Holdings Inc. c/o 220 - 7565 - 132nd Street Surrey, BC V3W 1K5	30	Allotment (30)		5C	Cash	\$0.01	[30 transferred to Joseph Richard Hospitality Group Ltd. (SC#7C)]
Dec 8, 2017	Oct 18, 2018	R. Jenkins Holdings Ltd. #304 - 20338 65 Avenue Langley, BC V2Y 2X3	30	Allotment (30)		6C	Cash	\$0.01	[30 transferred to Joseph Richard Hospitality Group Ltd. (SC#7C)]

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Paid Per Share Other Than Cash Particulars <i>[Cancel details]</i>	
Oct 18, 2018		Joseph Richard Hospitality Group Ltd. 8410 160 Street Surrey, BC V4N 0V7	360	Transfer (30) Transfer (30) Transfer (30) Transfer (30) Transfer (240)	Brian Dougherty Holdings Ltd. (SC#3C) R. Jenkins Holdings Ltd. (SC#6C) Michael Dougherty Holdings Ltd. (SC#4C) Cajjay Holdings Inc. (SC#5C) 1143984 B.C. Ltd. (SC#1C)	7C				
<b>Total issued:</b>							<b>420</b>			

**CENTRAL SECURITIES REGISTER**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

**Class D Non-Voting Participating shares without par value**

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Other Than Cash Particulars <i>[Cancel details]</i>	
Dec 8, 2017		George Tachejian 27126 - 35B Avenue Langley, BC V4W 0C3	60	Allotment (60)		1D	Cash	\$0.01		
Dec 8, 2017		David Jorge 5155 160 Street Surrey, BC V3S 0L2	60	Allotment (60)		2D	Cash	\$0.01		
<b>Total issued:</b>							<b>120</b>			



**CENTRAL SECURITIES REGISTER**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

**Class E Non-Voting Preference shares with a par value of \$0.01 each**

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Other Than Cash Particulars [Cancel details]	
<b>Total issued:</b>							<b>0</b>			

**CENTRAL SECURITIES REGISTER**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

**Class F Non-Voting Preference shares with a par value of \$0.01 each**

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company			
							Cash or Other	Cash	Other Than Cash Particulars [Cancel details]	
<b>Total issued:</b>							<b>0</b>			

**CENTRAL SECURITIES REGISTER**

**SUDO ASIAN KITCHEN HOLDINGS (LANGLEY) LTD.**

**Class G Non-Voting Preference shares without par value**

Date Share Certificate Issued	Date Share Certificate Cancelled	Full Name and Address of Shareholder	Number of Shares	Acquired by Allotment, Conversion, Transfer (or)	If Transferred, from whom	Cert. No.	Consideration Paid to Company		
							Cash or Other	Cash	Paid Per Share Other Than Cash Particulars <i>[Cancel detail/s]</i>
<b>Total issued:</b>							<b>0</b>		

**REGISTER OF DIRECTORS**  
 (Section 126)  
**Name of Company: Sudo Asian Kitchen Holdings (Langley) Ltd.**

Full Name	Prescribed Address	Date Appointed	Date Ceased	OFFICE HELD		
				Office	Date Appointed	Date Ceased
Ryan Richard Moreno	Delivery address: 1268 216 Street Langley, BC V2Z 1R2 Mailing address: 1268 216 Street Langley, BC V2Z 1R2	Oct 4, 2016		President Secretary	Oct 4, 2016 Oct 4, 2016	

**CERTIFICATE**

I, HEREBY CERTIFY that the attached is a true copy of the Certificate of Incorporation, Notice of Articles, Articles, Central Securities Register and Register of Directors of **JOSEPH RICHARD INVESTMENTS LTD.** and that there have been no amendments to same. The attached remain in full force and effect as of this date and to the best of my knowledge, information and belief, no amendments to the attached documents are contemplated and in particular, the borrowing powers of Directors have not been in any way varied or impaired.

Dated at Surrey, British Columbia this 30 day of October, 2019.

  
\_\_\_\_\_  
Solicitor for the Company

**Brian C. Man**  
Barrister & Solicitor  
**HAMILTON DUNCAN ARMSTRONG**  
+ **STEWART LAW CORPORATION**  
#1450 - 13401 108th Avenue,  
Surrey, BC, V3T 5T3

Number: BC0952989



# CERTIFICATE OF INCORPORATION

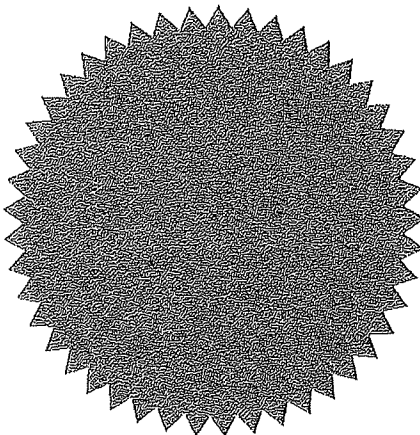
*BUSINESS CORPORATIONS ACT*

I Hereby Certify that 0952989 B.C. LTD. was incorporated under the Business Corporations Act on October 17, 2012 at 04:17 PM Pacific Time.

*Issued under my hand at Victoria, British Columbia  
On October 17, 2012*

A handwritten signature in cursive script, appearing to read "Carol Prest".

**CAROL PREST**  
*Registrar of Companies*  
Province of British Columbia  
Canada





Number: BC0952989

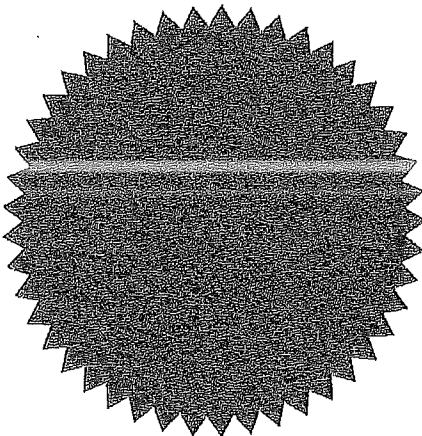
**CERTIFICATE  
OF  
CHANGE OF NAME**

*BUSINESS CORPORATIONS ACT*

I Hereby Certify that 0952989 B.C. LTD. changed its name to JOSEPH RICHARD INVESTMENTS LTD. on January 10, 2013 at 02:59 PM Pacific Time.

*Issued under my hand at Victoria, British Columbia  
On January 10, 2013*

**CAROL PREST**  
*Registrar of Companies*  
Province of British Columbia  
Canada





BC Registry  
Services

Mailing Address:  
PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3  
www.corporateonline.gov.bc.ca

Location:  
2nd Floor - 940 Blanshard Street  
Victoria BC  
1 877 526-1526

**CERTIFIED COPY**  
Of a Document filed with the Province of  
British Columbia Registrar of Companies

**Notice of Articles**  
BUSINESS CORPORATIONS ACT

*Carol Prest*  
CAROL PREST

*This Notice of Articles was issued by the Registrar on: December 1, 2018 12:01 AM Pacific Time*

*Incorporation Number: BC0952989*

*Recognition Date and Time: Incorporated on October 17, 2012 04:17 PM Pacific Time*

**NOTICE OF ARTICLES**

**Name of Company:**

JOSEPH RICHARD INVESTMENTS LTD.

**REGISTERED OFFICE INFORMATION**

**Mailing Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**Delivery Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**RECORDS OFFICE INFORMATION**

**Mailing Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA

**Delivery Address:**

1450, 13401-108TH AVENUE  
SURREY BC V3T 5T3  
CANADA



**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**

Moreno, Ryan

**Mailing Address:**

1268 216 STREET  
 LANGLEY BC V2Z 1R2  
 CANADA

**Delivery Address:**

1268 216 STREET  
 LANGLEY BC V2Z 1R2  
 CANADA

**Last Name, First Name, Middle Name:**

Bourque, Andre

**Mailing Address:**

8343 209A STREET  
 LANGLEY BC V2Y 0A5  
 CANADA

**Delivery Address:**

8343 209A STREET  
 LANGLEY BC V2Y 0A5  
 CANADA

**AUTHORIZED SHARE STRUCTURE**

1.	No Maximum	Class A Voting Common Shares	Without Par Value
			With Special Rights or Restrictions attached

2.	No Maximum	Class B Non-Voting Common Shares	Without Par Value
			With Special Rights or Restrictions attached

3.	No Maximum	Class C Voting Common Shares	Without Par Value
			With Special Rights or Restrictions attached

4.	No Maximum	Class D Non-Voting Common Shares	Without Par Value
			With Special Rights or Restrictions attached

5. No Maximum

Class E Non-Voting Preference Shares

With a Par Value of  
0.01 Canadian Dollar(s) each

With Special Rights or  
Restrictions attached

---

6. No Maximum

Class F Non-Voting Preference Shares

With a Par Value of  
0.01 Canadian Dollar(s) each

With Special Rights or  
Restrictions attached

---


7. No Maximum

Class G Non-Voting Preference Shares

Without Par Value

With Special Rights or  
Restrictions attached

---



*BUSINESS CORPORATIONS ACT*

ARTICLES

- of -  
 Joseph Richard Investments Ltd.  
 (fka 0952989 B.C. LTD.)

Incorporation Number: BC0952989

Translated Name: Not applicable

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*BUSINESS CORPORATIONS ACT*

ARTICLES

- of -

0952989 B.C. LTD.

Incorporation Number: BC0952989

Translated Name: Not applicable

**PART 1 – INTERPRETATION**

1.1 **Definitions.** In these Articles, unless the context otherwise requires:

- (a) "Board of Directors" or "Board" or "the directors" means the directors or the sole director of the Company for the time being, as the case may be;
- (b) "Business Corporations Act" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments to that Act and includes all regulations and amendments made pursuant to that Act;
- (c) "prescribed address" of a director means the address as recorded in the register of directors to be kept pursuant to the Business Corporations Act;
- (d) "registered address" of a shareholder means the last known address of that shareholder as recorded in the central securities register to be kept pursuant to the Business Corporations Act; and
- (e) "registered owner", when used with respect to a share of the Company, means the person registered in the central securities register as the shareholder in respect of such share.

1.2 **Business Corporations Act and Interpretation Act Definitions Applicable.** The definitions in the Business Corporations Act and the definitions and rules of construction in the *Interpretation Act* (British Columbia), with the necessary changes and so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the Business Corporations Act and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the Business Corporations Act prevails in relation to the use of the term in these Articles. If there is a conflict between these Articles and the Business Corporations Act, the Business Corporations Act prevails.

**PART 2 – RESOLUTIONS AND MAJORITIES**

2.1 **Directors' Resolution.** Subject to the Business Corporations Act, the Company may, by a resolution of the directors:

- (a) if the class rights so authorize:
  - (i) create one or more series of shares out of a class of shares, and when creating such series of shares:
    - (A) determine the maximum number or determine that there is no maximum number of shares that the company is authorized to issue for such series of shares created;

- (B) create and attach special rights or restrictions to the shares of any such series of shares created; and
- (C) create an identifying name for the shares of any such series of shares created;
- (ii) for a series of shares of which there are no issued shares:
  - (A) alter any determination of the number of shares of which the series shall consist;
  - (B) alter the identifying name of shares of the series of shares; or
  - (C) alter any special rights or restrictions attached to the shares of the series of shares;
- (b) redeem or repurchase shares;
- (c) accept a surrender of shares by way of gift or for cancellation;
- (d) convert fractional shares into whole shares on a subdivision or consolidation of shares or on a redemption, purchase or surrender of shares;
- (e) change its name;
- (f) adopt or change a translation of its name;
- (g) subdivide all or any of its unissued shares with par value into shares of smaller par value;
- (h) subdivide all or any of its unissued shares without par value;
- (i) consolidate all or any of its unissued shares with par value into shares of larger par value;
- (j) consolidate all or any of its unissued shares without par value;
- (k) eliminate any class or series of shares if none of the shares of that class or series of shares are allotted or issued;
- (l) change all or any of its unissued shares with par value into shares without par value;
- (m) change all or any of its unissued shares without par value into shares with par value; or
- (n) alter the identifying name of any of its classes of shares,

and make any necessary alterations to its notice of articles or these Articles or both to effect the change.

**2.2 Ordinary Resolution.** Subject to the Business Corporations Act, the Company may, by an ordinary resolution:

- (a) deal with all matters set out in Article 2.1;



- (b) establish a maximum number of shares that the company is authorized to issue out of any class of shares for which no maximum is established;
- (c) increase, reduce or eliminate the maximum number of shares that the company is authorized to issue out of any class of shares;
- (d) for a class of shares of which there are no issued shares, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of the class of shares; or
- (e) for a class of shares of which there are no issued shares, vary or delete any special rights or restrictions attached to the shares of the class of shares,

and make any necessary alterations to its notice of articles or these Articles or both to effect the change.

**2.3 Special Resolution.** Subject to the Business Corporations Act, the Company may, by a special resolution:

- (a) deal with all matters set out in Article 2.1 and Article 2.2;
- (b) alter its notice of articles;
- (c) alter these Articles;
- (d) create one or more classes of shares;
- (e) subdivide all or any of its fully paid issued shares with par value into shares of smaller par value;
- (f) subdivide all or any of its fully paid issued shares without par value;
- (g) consolidate all or any of its fully paid issued shares with par value into shares of larger par value;
- (h) consolidate all or any of its fully paid issued shares without par value;
- (i) if the company is authorized to issue shares of a class of shares with par value;
  - (i) subject to the Business Corporations Act, decrease the par value of those shares, or
  - (ii) increase the par value of those shares if none of the shares of that class of shares are allotted or issued;
- (j) change all or any of its fully paid issued shares with par value into shares without par value;
- (k) for a class or series of shares of which there are issued shares, create special rights or restrictions for, and attach those special rights or restrictions to, the shares of the class or series of shares;
- (l) for a class or series of shares of which there are issued shares, vary or delete any special rights or restrictions attached to the shares of the class or series of shares; or

- (m) otherwise alter its authorized share structure when required or permitted to do so by the Business Corporations Act.

**2.4 Special Majority.** The majority of votes required for the Company to pass a special resolution at a general meeting is 2/3 of the votes cast on the resolution by shareholders voting shares that carry the right to vote at general meetings.

**2.5 Special Separate Majority.** The majority of votes required to pass a special separate resolution at a class meeting is 2/3 of the votes cast on the resolution by shareholders voting shares that carry the right to vote at the class meeting.

**2.6 Consent Resolution.** A consent resolution in writing, whether by signed documents, fax, e-mail or any other method of transmitting legibly recorded messages, of shareholders or directors or a committee of directors is as valid as if it had been passed at a duly called and held meeting of the shareholders, directors or committee, as the case may be. The consent resolution may be executed in any number of counterparts, each of which when executed and delivered (by fax, email or otherwise) is deemed to be an original, and all of which together constitute one consent resolution in writing.

### **PART 3 – SHARE CERTIFICATES**

**3.1 Mailing of Certificates.** Any share certificate may be mailed by registered mail, postage prepaid, to the shareholder entitled to that certificate at that shareholder's registered address and the Company is not liable for any loss occasioned to the shareholder if that share certificate is lost or stolen. In respect of a share held jointly by several persons, mailing of a certificate for that share to one of several joint holders or to a duly authorized agent of any of the joint holders is sufficient delivery to all.

**3.2 Replacement of Lost or Destroyed Certificate.** If a share certificate:

- (a) is worn out or defaced, the directors may, upon production to them of that certificate and upon such other terms, if any, that they determine, order the certificate to be cancelled and issue a new certificate to replace the cancelled certificate;
- (b) is lost, stolen or destroyed, then upon production of proof to the satisfaction of the directors and upon provision of such indemnity and security, if any, that the directors deem adequate, a new share certificate must be issued to the person entitled to the lost, stolen or destroyed certificate.

**3.3 Consolidation of Certificates.** If two or more certificates are surrendered by their registered owner to the Company together with a written request that the Company issue one certificate registered in that registered owner's name representing the aggregate of the shares represented by the certificates so surrendered, the Company must cancel the certificates so surrendered and issue in their place one certificate in accordance with the request.

**3.4 Fee for Certificates.** There must be paid to the Company in respect of the issue of any certificate pursuant to this Part 3 such amount, if any, as the directors may from time to time determine and which must not exceed the amount prescribed in the Business Corporations Act.

**3.5 Non-Recognition of Trusts.** Except as required by law or statute or these Articles, no person is recognized by the Company as holding any share upon any trust and the Company is not bound by or compelled in any way to recognize (even when having notice of any trust) any equitable, contingent, future

or partial interest in any share or any interest in any fractional part of a share or (except as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety in the shareholder.

**3.6 Central Securities Register.** As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

#### **PART 4 – ISSUE, TRANSFER AND TRANSMISSION OF SHARES**

**4.1 Directors Authorized to Issue Shares.** Subject to any direction to the contrary contained in a resolution passed at a general meeting authorizing any increase of capital, the issue of shares is under the control of the directors who may issue, otherwise dispose of or grant options on shares authorized but not yet issued at any time, to any person including a director, in the manner, upon the terms and conditions and at the price or for the consideration as the directors, in their absolute discretion, may determine.

**4.2 Transferability and Instrument of Transfer.** Subject to the restrictions, if any, set forth in these Articles, any shareholder may transfer that shareholder's shares by an instrument in writing executed by or on behalf of that shareholder and delivered to the Company or its transfer agent. The instrument of transfer of any share of the Company must be in the form, if any, provided on the back of the Company's form of share certificate or in any other form which the directors may approve. If the directors so require, each instrument of transfer must be in respect of only one class of shares.

**4.3 Submission of Instruments of Transfer.** Every instrument of transfer must be executed by the transferor and provided to the Company or the office of its transfer agent or registrar for registration together with the share certificate for the shares to be transferred and such other evidence, if any, as the directors or the transfer agent or registrar may require to prove the title of the transferor or the transferor's right to transfer the shares. If the transfer is registered, the instrument of transfer must be retained by the Company or its transfer agent or registrar. If the transfer is not registered, the instrument of transfer must be returned to the person depositing it together with the share certificate that accompanied it when tendered for registration.

**4.4 Authority in Instrument of Transfer.** The signature of a shareholder or of that shareholder's duly authorized attorney on the instrument of transfer authorizes the Company to register the shares specified in the instrument of transfer in the name of the person named in that instrument of transfer as transferee or, if no person is so named, in any name designated in writing by the person depositing the share certificate and the instrument of transfer with the Company or its transfer agent or registrar.

**4.5 Enquiry as to Title Not Required.** Neither the Company nor any of its directors, officers or agents is bound to enquire into any title of the transferor of any shares to be transferred and none of them is liable to any person for registering the transfer.

**4.6 Transfer Fee.** There must be paid to the Company in respect of the registration of any transfer such amount, if any, as the directors may from time to time prescribe.

**4.7 Personal Representative Recognized.** Upon the death or bankruptcy of a shareholder, that shareholder's legal personal representative or trustee in bankruptcy, although not a shareholder, has the same rights, privileges and obligations that attach to the shares formerly held by the deceased or bankrupt shareholder if the documents required by the Business Corporations Act have been deposited at the Company's registered office. This Article does not apply on the death of a shareholder with respect to shares registered in that shareholder's name and the name of another person in joint tenancy.

**4.8 Jointly Held Shares.** If there are joint shareholders in respect of a share and in the case of the death or bankruptcy of one of the joint shareholders, the legal personal representative of the deceased or the trustee in bankruptcy of the bankrupt shareholder, as the case may be, and the surviving joint shareholder or shareholders are the only persons recognized by the Company as having any title to or interest in the share so held jointly.

## PART 5 – PURCHASE OF SHARES

**5.1 Company Authorized to Purchase its Shares.** Subject to the provisions of this Part 5, the Business Corporations Act and the special rights and restrictions attached to any class of shares, the Company may, by a resolution of the directors:

- (a) purchase any of its shares at the price and upon the terms specified in that resolution; and
- (b) sell any of its shares so purchased but not cancelled at the price and upon the terms specified in that resolution.

**5.2 Offer to Purchase Shares.** Before the Company purchases any of its shares, it must make an offer, to every shareholder who holds shares of the class or series of shares to be purchased, to purchase rateably from those shareholders the number of shares of that class or series of shares that the Company wishes to purchase unless:

- (a) the purchase is made through a securities exchange or a quotation and trade reporting system;
- (b) the shares are being purchased:
  - (i) from an employee or former employee of the Company or of an affiliate of the Company; or
  - (ii) in the case of shares beneficially owned by an employee or former employee of the Company or of an affiliate of the Company, from the registered owner of the shares;
- (c) in respect of a specific share purchase, the Company is, for that purchase, relieved of its obligation to make an offer to purchase rateably from those shareholders holding shares of the class or series of shares from which the shares are to be purchased by a special separate resolution of those shareholders;
- (d) the purchase is one made pursuant to an order of the court upon application by a shareholder;
- (e) the purchase is of all of the notice shares of a dissenter;

- (f) the purchase is one made pursuant to an arrangement proposed by the Company with shareholders, creditors or other persons;
- (g) the purchase is of fractional shares; or
- (h) in respect of an offer to a specific shareholder, that shareholder, in writing, waives the right to receive an offer to purchase rateably that shareholder's shares before or after the purchase of the Company of any of its shares.

## PART 6 – BORROWING POWERS

**6.1 Powers of Directors.** Subject to the Business Corporations Act, the directors may from time to time at their discretion authorize the Company to:

- (a) borrow any amount of money;
- (b) guarantee the repayment of any amount of money borrowed by any person or corporation; and
- (c) guarantee the performance of any obligation of any person or corporation,

and may raise or secure the repayment of any amount of money so borrowed or guaranteed or any obligation so guaranteed in any manner and upon any terms and conditions as they may think fit and in particular and without limiting the generality of the foregoing by the issue of bonds, debentures or other debt obligations or by the granting of any mortgages or other security interest on the undertaking of the whole or any part of the property of the Company, both present and future.

**6.2 Negotiability of Debt Obligations.** The directors may make any bonds, debentures or other debt obligations issued by the Company by their terms assignable free from any equities between the Company and the person to whom they may be issued or any other person who lawfully acquires them by assignment, purchase or otherwise.

**6.3 Special Rights on Debt Obligations.** The directors may authorize the issue of any bonds, debentures or other debt obligations of the Company at a discount, premium or otherwise and with special or other rights or privileges as to redemption, surrender, drawings, allotment of or conversion into or exchange for shares, attending at general meetings of the Company and otherwise as the directors may determine at or before the time of issue.

**6.4 Execution of Debt Obligations.** If the directors so authorize or if any instrument under which any bonds, debentures or other debt obligations of the Company are issued so provides any bonds, debentures and other debt obligations of the Company, instead of being manually signed by the directors or officers authorized in that behalf, may have the facsimile signatures of those directors or officers printed or otherwise mechanically reproduced thereon and in either case is as valid as if signed manually and every bond, debenture or other debt obligation so bearing facsimile signatures of directors or officers of the Company must be manually signed, countersigned or certified by or on behalf of a registrar, branch registrar, transfer agent or branch transfer agent of the Company duly authorized to do so by the directors or the instrument under which such bonds, debentures or other debt obligations are issued. Notwithstanding that any person whose facsimile signature is so used has ceased to hold the office that he or she is stated on any bond, debenture or other debt obligation to hold at the date of the actual issue of that bond, debenture or other debt obligation, the bond, debenture or other debt obligation is valid and binding on the Company.

## PART 7 – GENERAL MEETINGS

**7.1 Location of General Meetings.** Every general meeting must be held at such time and location as the directors may determine.

**7.2 General Meeting Participation.** A shareholder or proxy holder who is entitled to participate in, including vote at, a meeting of shareholders may do so by video conference or telephone if all shareholders and proxy holders participating in the meeting, whether by video conference, telephone or in person, are able to communicate with each other. If all shareholders or proxy holders who are entitled to participate in, including vote at, a meeting consent, a shareholder or proxy holder may participate in the meeting by a communications medium other than video conference or telephone if all shareholders and proxy holders participating in the meeting are able to communicate with each other. A shareholder or proxy holder who participates in a meeting by a communications medium other than video conference or telephone is deemed to have agreed to participate by the other communications medium. A shareholder or proxy holder who participates in a meeting by video conference, telephone or other communications medium is deemed for all purposes of the Business Corporations Act and these Articles to be present at the meeting and must be counted in the quorum for and is entitled to communicate and vote at that meeting, and the meeting is deemed to be held at the location specified in the notice of meeting.

**7.3 Notice of General Meetings.** Notice of a general meeting must specify the time and location of the meeting and, in case of special business (as described in Part 8), the general nature of that business.

**7.4 Waiver of Notice.** Any person entitled to notice of a general meeting may waive or reduce the period of notice for that meeting in writing or otherwise and may do so before, during or after the meeting.

**7.5 Record Date for Notice.** The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the Business Corporations Act, by more than four months.

**7.6 Failure to Give Notice.** The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting.

**7.7 Notice of Special Business at General Meeting.** If any special business includes the presenting, considering, approving, ratifying or authorizing the execution of any document, then the portion of any notice relating to that document is sufficient if it states that a copy of the document or proposed document is or will be available for inspection by shareholders at a place in the Province of British Columbia specified in that notice during business hours in any working day or days prior to the date of the meeting.

## PART 8 – PROCEEDINGS AT GENERAL MEETINGS

**8.1 Special Business.** All business at a general meeting is deemed to be special business except the consideration of the financial statements and the reports of the directors and auditors, the election of directors, appointment of auditors and such other business as under these Articles ought to be transacted at an annual general meeting or any business which is brought under consideration by the report of the directors.

**8.2 Quorum.** Subject to this Part 8, a quorum for a general meeting is two individuals who are shareholders, proxy holders representing shareholders or duly authorized representatives of corporate

shareholders personally present and representing shares aggregating not less than 10% of the issued shares of the Company carrying the right to vote at that meeting. In the event there is only one shareholder, the quorum is one person personally present and being, or representing by proxy, that shareholder, or in the case of a corporate shareholder, a duly authorized representative of that shareholder.

**8.3 Requirement of Quorum.** No business other than the election of a chair and the adjournment or termination of the meeting may be transacted at any general meeting unless a quorum is present at the commencement of the meeting but the quorum need not be present throughout the meeting.

**8.4 Lack of Quorum.** If within 30 minutes from the time appointed for a meeting a quorum is not present, the meeting:

- (a) if convened by requisition of the shareholders, must be terminated; and
- (b) in any other case, must stand adjourned to the same day in the next week at the same time and place.

If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed, the shareholder or shareholders present in person, by proxy or by authorized representative is or are a quorum.

**8.5 Chair.** The chair of the Board, if any, or in his or her absence the President, if any, is entitled to act as chair at every general meeting. If at any general meeting the chair of the Board, if any, and the President, if any, are not present within 15 minutes after the time appointed for holding the meeting or if neither is willing to act as chair, the directors present must choose one of their number to act as chair. If no director is present or if all the directors present decline to act as chair or fail to so choose, the persons present must choose one of their number to act as chair.

**8.6 Adjournments.** The chair of the meeting may, with the consent of any meeting at which a quorum is present and must, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. If a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of a general meeting. It is otherwise not necessary to give any notice of an adjourned meeting or of the business to be transacted at any adjourned meeting.

**8.7 Voting.** Every question submitted to a general meeting must be decided:

- (a) if a ballot is demanded by a shareholder or proxy holder entitled to vote at the meeting or is directed by the chair, by ballot; or
- (b) in any other case, by a show of hands or by any other manner that adequately discloses the intentions of the shareholders or proxy holders.

The chair must declare to the meeting the decision on every question in accordance with the result of the ballot, the show of hands or the other manner that adequately disclosed the intentions of the shareholders or proxy holders and that decision must be entered in the minute book of the Company. A declaration of the chair that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minute book of the Company is conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

8.8 **Resolution Need Not Be Seconded.** No resolution proposed at a meeting need be seconded and the chair of any meeting is entitled to move or second a resolution.

8.9 **Casting Vote.** In case of an equality of votes upon a resolution, whether on a show of hands or by ballot or any other manner, the chair does not have a casting vote in addition to the vote or votes to which he or she may be entitled as a shareholder.

8.10 **Manner of Taking Ballot.** If a ballot is duly demanded it must be taken at once or in the manner the chair of the meeting directs. A demand for a ballot may be withdrawn. In the case of any dispute as to the admission or rejection of a vote the chair must conclusively determine whether that vote is admitted or rejected.

8.11 **Splitting Votes.** On a ballot, a shareholder entitled to more than one vote need not, if that shareholder votes, use all that shareholder's votes or cast all the votes that shareholder uses in the same way.

8.12 **Demand for Ballot Not to Prevent Continuance of Meeting.** The demand for a ballot does not prevent the continuance of a meeting for the transaction of any business other than the question on which a ballot has been demanded.

8.13 **Retention of Ballots and Proxies.** The Company must, for at least three months after a meeting of shareholders, keep each ballot cast and each proxy voted at the meeting and, during the period, make them available for inspection during statutory business hours by any shareholder or proxy holder entitled to vote at the meeting. At the end of the three-month period, the Company may destroy such ballots and proxies.

## **PART 9 – VOTES OF SHAREHOLDERS**

9.1 **Number of Votes Per Share or Shareholder.** Subject to any special rights or restrictions attached to any share contained in these Articles, on a show of hands every shareholder entitled to vote present in person, by proxy or by authorized representative has one vote and on a ballot every shareholder entitled to vote on that ballot has one vote for every whole share held by that shareholder and a fractional vote in proportion to any fraction of a share held by that shareholder.

9.2 **Votes of Persons in Representative Capacity.** A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a ballot, and may appoint a proxy holder to act at the meeting if, before doing so, the person satisfies the chair of the meeting or the directors that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

9.3 **Votes by Joint Holders.** If there are joint shareholders registered in respect of any share, any one of the joint shareholders may vote at any meeting in person, by proxy or by authorized representative in respect of the share as if that joint shareholder were solely entitled to it. If more than one of the joint shareholders is present at any meeting in person, by proxy or by authorized representative, the joint shareholder so present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share. For the purpose of this Part 9, two or more executors or administrators of a deceased shareholder in whose sole name any share stands are deemed joint shareholders.

9.4 **Representative of a Corporate Shareholder.** If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint, by an instrument in writing, a person to act as its authorized representative at any meeting of shareholders of the Company, and:



- (a) for that purpose, the instrument appointing the authorized representative must:
  - (i) be received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, not less than 48 hours before the time for holding the meeting; or
  - (ii) be deposited with the chair of the meeting, or to a person designated by the chair of the meeting, prior to the commencement of the meeting;
- (b) if an authorized representative is appointed under this Part 9:
  - (i) the authorized representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the authorized representative represents as that corporation could exercise if it were a shareholder who is an individual including, without limitation, the right to appoint a proxy holder; and
  - (ii) the authorized representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

An instrument appointing an authorized representative of a corporation must be in writing signed by a duly authorized person on behalf of that corporation and must be sent to the Company.

**9.5 Appointment of Proxy Holders.** A shareholder holding more than one share in respect of which that shareholder is entitled to vote at a general meeting is entitled to appoint one or more proxy holders to attend, act and vote for that shareholder at the general meeting and in so doing that shareholder must specify the number of shares that each proxy holder is entitled to vote.

**9.6 Execution of Proxy Instrument.** A proxy must be in writing signed by the appointor or the appointor's attorney or, if the appointor is a corporation, by the authorized representative or a duly authorized person on behalf of that corporation.

**9.7 Qualification of Proxy Holder.** A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (a) the person appointing the proxy holder is a corporation or an authorized representative of a corporation appointed under this Part 9;
- (b) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting; or
- (c) the Company, by a resolution of the directors, permits the proxy holder to attend and vote at the meeting.

**9.8 Deposit of Proxy.** A proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power of attorney or other authority must be deposited at the registered office of the Company or at such other place as is specified for that purpose in the notice calling the meeting not less than 48 hours before the time for holding the meeting at which the person named in the proxy proposes to vote or must be deposited with the chair of the meeting, or with a person designated by

the chair of the meeting, prior to the commencement of the meeting. In addition to any other method of depositing proxies provided for in these Articles, the directors may from time to time make regulations:

- (a) permitting the depositing of proxies at some place or places other than the place at which a meeting or adjourned meeting of shareholders is to be held;
- (b) providing for particulars of those proxies to be sent in writing or by fax, e-mail or any other method of transmitting legibly recorded messages before a meeting or an adjourned meeting to the Company or any agent of the Company for the purpose of receiving those particulars; and
- (c) providing that particulars of those proxies may be voted as though the proxies themselves were produced to the chair of the meeting or of the adjourned meeting as required by this Article.

Votes given in accordance with proxies and particulars of proxies so deposited are valid and counted.

**9.9 Validity of Proxy Vote.** A vote given in accordance with the terms of a proxy is valid notwithstanding the previous death, bankruptcy or incapacity of the shareholder or revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that prior to the meeting no notice in writing of such death, bankruptcy, incapacity, revocation or transfer has been received at the registered office of the Company or by the chair of the meeting or of the adjourned meeting at which the vote was given.

**9.10 Form of Proxy.** A proxy appointing a proxy holder must be in the following form or in any other form that the directors approve:

(Name of Company)

The undersigned hereby appoints \_\_\_\_\_  
\_\_\_\_\_ or failing him or her \_\_\_\_\_

as proxy holder for the undersigned to attend at and vote for and on behalf of the undersigned at the general meeting of the Company to be held on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and at any adjournment of that meeting.

Signed this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Shareholder)

**9.11 Revocation of Proxy.** Subject to this Part, every proxy may be revoked by an instrument in writing that is received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used or deposited with the chair of the meeting, or with a person designated by the chair of the meeting, prior to the commencement of the meeting.

**9.12 Revocation of Proxy Will Be Signed.** An instrument to revoke a proxy must be signed as follows:

- (a) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;
- (b) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by a duly authorized person on behalf of the corporation or by the authorized representative appointed for the corporation under this Part 9.

## **PART 10 – DIRECTORS**

**10.1 General Authority.** Subject to these Articles, the directors may exercise all powers and do all acts and things as the Company is by the Business Corporations Act, these Articles or otherwise authorized to exercise and do and which are not by these Articles, by statute or otherwise lawfully directed or required to be exercised or done by the Company by unanimous resolution, exceptional resolution, special resolution or ordinary resolution.

**10.2 Number of Directors.** The number of directors may be determined by ordinary resolution. The number of directors may be changed from time to time by ordinary resolution whether previous notice of that ordinary resolution has been given or not. If at any time the Company becomes a public company and the number of directors fixed pursuant to these Articles is less than three, then the number of directors is deemed to have been increased to three.

**10.3 Directors' Acts Valid Despite Vacancy.** An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

**10.4 Qualification of Directors.** A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the Business Corporations Act to become, act or continue to act as a director.

**10.5 Remuneration and Expenses of Directors.** The remuneration of the directors as such may from time to time be determined by the directors. Any remuneration of a director is in addition to any salary or other remuneration paid to him or her as an officer or employee of the Company. Every director must be repaid such reasonable expenses as he or she may incur in and about the business of the Company. Other than remuneration for professional services described in this Part 10, if any director performs any services for the Company that in the opinion of the directors are outside the ordinary duties of a director or if he or she is specifically occupied in or about the Company's business other than as a director, he or she may be paid a remuneration to be fixed by the directors. The remuneration so fixed may be either in addition to or in substitution for any other remuneration that he or she may be entitled to receive and the additional remuneration may be charged as part of ordinary working expenses of the Company. Unless otherwise determined by ordinary resolution, the directors may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company, to his or her spouse or dependants and they may also make any contributions to any fund and pay premiums for the purchase or provision of any gratuity, pension or allowance in respect of that director.

**10.6 Right to Office and Contract with Company.** A director may hold any office or place of profit in the Company, other than auditor, in conjunction with his or her office of director for the period and on such terms as the directors may determine. Subject to compliance with the Business Corporations Act, no

director or intended director is disqualified by his or her office from contracting with the Company with regard to his or her tenure of office or place of profit or as vendor, purchaser or otherwise.

**10.7 Director Acting in Professional Capacity.** Any director may act by him or herself or his or her firm in a professional capacity for the Company and he or she or his or her firm is entitled to remuneration for professional services as if he or she were not a director.

**10.8 Alternate Directors.** Any director may from time to time appoint any person who is approved by resolution of the directors to be his or her alternate director provided that approval is not required if a director is appointed alternate director for another director. The appointee, while he or she holds office as an alternate director, is entitled to notice of meetings of the directors and, in the absence of the director for whom he or she is an alternate, to attend and vote at meetings as a director and is not entitled to be remunerated otherwise than out of the remuneration of the director appointing him or her. Any director may make or revoke an appointment of his or her alternate director by notice in writing sent to the Company. A person may act as an alternate for more than one director at any given time and a director may act as an alternate director for any other director. No person may act as an alternate director unless that person qualifies under the Business Corporations Act to act as a director of the Company. Every alternate director, if authorized by the notice appointing him or her, may sign any consent resolution in place of the director appointing him or her.

## **PART 11 – ELECTION, APPOINTMENT AND REMOVAL OF DIRECTORS**

**11.1 Election and Appointment.** The shareholders may elect or appoint directors at any time and from time to time.

**11.2 Elections and Appointments at Annual General Meetings.** At each annual general meeting all the directors retire and the shareholders must elect or appoint a Board of Directors consisting of the number of directors for the time being fixed pursuant to Part 10. Any retiring director is eligible for re-election or re-appointment. If the holding of an annual general meeting of the Company is deferred or waived by a unanimous resolution of all shareholders entitled to vote at the annual general meeting, each director in office on the annual reference date selected in the unanimous resolution continues to be a director until the next annual reference date unless that director retires or is removed prior to the next annual reference date.

**11.3 Filling a Casual Vacancy.** The directors may at any time and from time to time appoint any person as a director to fill a casual vacancy among the directors or a vacancy resulting from an increase of the number of directors.

**11.4 Power to Appoint Additional Directors.** Between successive annual general meetings, the directors have the power to appoint one or more additional directors but not more than one-third the number of directors elected or appointed at the last annual general meeting at which directors were elected or appointed. Any director so appointed may hold office only until the next following annual general meeting of the Company but is eligible for election at such meeting and, so long as he or she is an additional director, the number of directors is increased accordingly.

**11.5 Removal of Directors.** If a director is convicted of an indictable offence or ceases to be qualified to act as a director of the company and does not promptly resign, the Company may remove the director before the expiration of the director's term of office by a resolution of the directors. The Company may otherwise remove a director before the expiration of the director's term of office by a special resolution of the shareholders.

## PART 12 – PROCEEDINGS OF DIRECTORS

**12.1 Meetings and Quorum.** The directors may hold meetings as they think fit for the dispatch of business and may adjourn and otherwise regulate their meetings and proceedings as they think fit. The directors may from time to time fix the quorum necessary for the transaction of business and unless so fixed the quorum is a majority of the Board.

**12.2 Chair.** The chair of the Board, if any, of the Company is entitled to act as chair of every meeting of the Board but if at any meeting the chair of the Board, if any, is not present within 15 minutes after the time appointed for holding the meeting, or if the chair of the Board is not willing to act as chair, the directors present must choose one of their number to act as chair.

**12.3 Call and Notice of Meetings.** A director may at any time call a meeting of the directors. Notice specifying the time and place of that meeting may be personally given or sent to each director and must be given at least 48 hours before the time appointed for holding the meeting or such lesser time as may be reasonable under the circumstances. It is not necessary to give to any director notice of a meeting of directors immediately following a general meeting at which that director has been elected or notice of a meeting of directors at which that director was appointed.

**12.4 Validity of Meeting Despite Failure to Give Notice.** The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director does not invalidate any proceedings at that meeting.

**12.5 Meeting Participation.** A director may participate in a meeting of the directors or of any committee of the directors by video conference or telephone if all directors participating in the meeting, whether by video conference or telephone or in person, are able to communicate with each other. If all the directors consent, a director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than video conference or telephone if all directors participating in the meeting are able to communicate with each other. A director who participates in a meeting by a communications medium other than video conference or telephone is deemed to have agreed to participate by the other communications medium. A director who participates in a meeting by video conference, telephone or other communications medium is deemed for all purposes of the Business Corporations Act and these Articles to be present at the meeting and must be counted in the quorum for and is entitled to communicate and vote at that meeting.

**12.6 Competence of Quorum.** The directors at a meeting at which a quorum is present are competent to exercise all or any of the authorities, powers and discretions for the time being vested in or exercisable by the directors.

**12.7 Committees.** The directors may from time to time by resolution constitute, dissolve or reconstitute standing committees and other committees consisting of such persons as the directors may determine. Every committee so constituted has the authorities, powers and discretions that may be delegated to it by the directors and must act in accordance with any regulations that the directors may impose upon it.

**12.8 Validity of Meeting if Directorship Deficient.** All acts done by any director or by any member of a committee constituted by the directors, notwithstanding that it is discovered afterwards that there was some defect in the appointment of any person so acting or that he or she was disqualified, are valid.

**12.9 Majority Rule and Casting Vote.** Questions arising at any meeting of the directors must be decided by a majority of votes. In the case of an equality of votes, the chair does not have a casting vote.

### PART 13 – OFFICERS

**13.1 Appointment of Officers.** The directors may appoint officers of the Company and may specify their duties. Any individual may be appointed to any office of the Company. Two or more offices of the Company may be held by the same individual.

### PART 14 – DIVIDENDS

**14.1 Declaration of Dividends.** Subject to the Business Corporations Act and the rights, if any, of shareholders holding shares with special rights and restrictions, the directors may declare dividends and fix the date of record and the date for payment of any dividend. No date of record for any dividend may precede the date of payment of that dividend by more than the maximum number of days permitted by the Business Corporations Act. No notice need be given of the declaration of any dividend. If no valid date of record is fixed, the date of record is deemed to be the same date as the date of payment of the dividend.

**14.2 Dividend Bears No Interest.** No dividend may bear interest against the Company.

**14.3 Payment in Specie.** The directors may direct payment of any dividend wholly or partly by the distribution of specific assets or of paid-up shares or bonds, debentures or other debt obligations of the Company or in any one or more of those ways and if any difficulty arises in regard to the distribution the directors may settle the difficulty as they think fit. The directors may fix the value for distribution of specific assets and may vest any of those specific assets in trustees upon such trusts for the persons entitled to those specific assets as the directors think fit.

**14.4 Fractional Interests.** Notwithstanding the provisions of this Part 14, if any dividend results in any shareholder being entitled to a fraction of a share, bond, debenture or other debt obligation of the Company, the directors may pay that shareholder the cash equivalent in place of that fraction of a share, bond, debenture or other debt obligation. The directors may arrange through a fiscal agent or otherwise for the sale, consolidation or other disposition of fractions of shares, bonds, debentures or other debt obligations of the Company on behalf of shareholders entitled to them.

**14.5 Payment of Dividends.** Any dividend payable in cash by the Company may be paid by cheque mailed to the registered address of the shareholder or in the case of joint shareholders to the registered address of the joint shareholder first named in the central securities register or to such person or to such address as any shareholder may direct in writing. Every cheque must be made payable to the order of the person to whom it is sent and in the case of joint shareholders to those joint shareholders.

**14.6 Receipt by Joint Shareholders.** If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

**14.7 No Notice Required.** The directors need not give notice to any shareholder of any declaration under Article 14.1 unless such dividends have been designated as eligible dividends under subsection 89(14) of the *Income Tax Act* (Canada).

### PART 15 – ACCOUNTING RECORDS AND AUDITORS

**15.1 Accounts to be Kept.** The directors must cause accounting records to be kept as necessary to properly record the financial affairs and condition of the Company and to comply with the provisions of statutes applicable to the Company.

**15.2 Location of Accounts.** The directors must determine the place at which the accounting records of the Company must be kept and those records must be open to the inspection of any director during the statutory business hours of the Company.

**15.3 Remuneration of Auditors.** The directors may set the remuneration of any auditor of the Company.

#### **PART 16 – SENDING OF RECORDS**

**16.1 Manner of Sending Records.** Unless the Business Corporations Act requires otherwise, a record may be sent:

- (a) to the Company by delivery or mail to the Company at the delivery address or mailing address of its registered office or by fax or e-mail to a fax number or e-mail address specified by the Company for that purpose;
- (b) to a director by delivery or mail to the director at the prescribed address of that director or by fax or e-mail to the fax or e-mail address specified for that purpose by the director;
- (c) to a shareholder by delivery or mail to the shareholder at the registered address of that shareholder or by fax or e-mail to the fax or e-mail address specified for that purpose by the shareholder; or
- (d) to the person entitled to a share as a result of the death, bankruptcy or incapacity of a shareholder by delivery or mail or by fax or e-mail to that person at the address specified for that purpose by the person so entitled and until that address, fax number or e-mail address has been so specified, the record may be sent in any manner in which it might have been sent if the death, bankruptcy or incapacity had not occurred.

**16.2 Sending to Joint Holders.** A record may be sent by the Company to joint shareholders in respect of a share registered in their names by sending the record to the joint shareholder first named in the central securities register in respect of that share.

**16.3 Date Record Deemed Received.** If a record is sent by mail, postage prepaid, that record is deemed to have been received on the fifth (5<sup>th</sup>) day, Saturdays, Sundays and holidays excepted, following the date of mailing. If a record is sent by fax, e-mail or any other manner of transmitting visually recorded messages, that record is deemed to have been received on the day it is sent if sent before or during statutory business hours and is deemed to have been received on the day, Saturdays, Sundays and holidays excepted, following the date it is sent if sent after statutory business hours or on a Saturday, Sunday or holiday. Notwithstanding the foregoing, in the event receipt of any record is deemed hereunder to have been received on a Saturday, Sunday or holiday, receipt thereof shall be deemed to have occurred on the next business day.

#### **PART 17 – NOTICES**

**17.1 Minimum Number of Days.** Notice of a general meeting must be sent to all shareholders holding shares that carry the right to vote at general meetings at least fourteen (14) days before the general meeting. Notice of a class or series meeting must be sent to all shareholders holding shares of that class or series at least fourteen (14) days before the class or series meeting.

**17.2 Persons to Receive Notice.** Notice of every general meeting must be sent to:

- (a) every shareholder holding a share or shares carrying the right to vote at that meeting on the record date or, if no record date was established by the directors, on the date the notice is sent;
- (b) the personal representative of a deceased shareholder if entitled to notice by the Business Corporations Act;
- (c) the trustee in bankruptcy of a bankrupt shareholder if entitled to notice by the Business Corporations Act;
- (d) every director; and
- (e) the auditor, if any.

No other person is entitled to receive notices of general meetings.

**PART 18 - EXECUTION OF DOCUMENTS**

**18.1 Seal Optional.** The directors may provide a common seal for the Company and may provide for its use. The directors have power to destroy the common seal and may provide a new common seal.

**18.2 Official Seal.** The directors may provide for use in any other province, state, territory or country an official seal that must have on its face the name of the province, state, territory or country where it is to be used.

**18.3 Affixing of Seal to Documents.** The directors must provide for the safe custody of each of the Company's seals, if any, which shall not be affixed to any instrument except by the authority of a resolution of the directors and by such person or persons as may be prescribed in and by that resolution and the person or persons so prescribed must sign every instrument to which the seal of the Company is affixed in his, her or their presence, provided that a resolution directing the general use of a seal, if any, may at any time be passed by the directors and applies to the use of that seal until countermanded by another resolution of the directors. In the absence of any resolution so authorizing the use of any seal, any seal of the Company may be affixed to any document that requires the seal of the Company in the presence of all the directors.