

COURT FILE NUMBER Q.B. 399 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

APPLICANT CANADIAN MORTGAGE SERVICING CORPORATION

RESPONDENTS 101118672 SASKATCHEWAN LTD (Formerly Korf Properties  
Ltd.).

IN THE MATTER OF THE RECEIVERSHIP OF  
101118672 SASKATCHEWAN LTD (Formerly Korf Properties Ltd.)

**FIRST SUPPLEMENT TO THE FOURTH REPORT OF THE RECEIVER, MNP LTD.**

**Appointment**

1. MNP Ltd. was appointed as Receiver of **101118672 SASKATCHEWAN LTD (Formerly Korf Properties Ltd.)** (the "Debtor") pursuant to an order of Justice B.J. Scherman of the Court of Queen's Bench for Saskatchewan in Bankruptcy and Insolvency, issued on March 17, 2020 (the "Receivership Order").

**Limitation**

2. The information provided in this report is believed to be correct but the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada.

**Executed Agreements Received from Prospective Purchaser(s)**

3. Further to the Fourth Report of the Receiver dated June 29, 2021, solicitors for the Receiver have received the following fully executed asset purchase agreements:
  - (a) 1321 Second Street, attached as Appendix I;
  - (b) 126-130 Perkins St., attached as Appendix II; and
  - (c) 77-79 Devonian Street and 353 Imperial Avenue, attached as Appendix III.

4. With the above agreements now in hand, all of the asset purchase agreements contemplated by the June 29, 2021 application have now been fully executed and received.

**MNP Ltd.**



**Per: Ian Schofield**

**July 2, 2021**

This **First Supplement to the Fourth Report of The Receiver** was delivered by:

KANUKA THURINGER LLP

Lawyer in Charge of File: Alexander K.V. Shalashniy

1400 - 2500 Victoria Avenue, Regina, Saskatchewan S4P 3X2

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Appendix I

**Asset Purchase Agreement for 1321 Second Street**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the “Agreement”) is executed and effective as of June 30, 2021

BETWEEN:

IURII AKINCHETS  
(the “Purchaser”)

OF THE FIRST PART

- and -

MNP LTD.  
In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly “Korf Properties Ltd.”)  
(the “Receiver”)

OF THE SECOND PART

WHEREAS:

- A. An Order of the Saskatchewan Court of Queen’s Bench granted March 17, 2020 (the “Order”), pursuant to s. 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, appointed the Receiver as receiver of 101118672 Saskatchewan Ltd. (formerly known as “Korf Properties Ltd.”) (the “Company”), with respect to all of the Company’s current buildings and lands located at 1321 Second Street, Estevan Saskatchewan including proceeds thereof.
- B. Pursuant to the terms and conditions as set out in the Auction Bid Summary Proposal dated May 28, 2021 (the “Auction Bid Summary Proposal”), the Receiver wishes to sell to the Purchaser and the Purchaser desires to purchase from the Receiver the Purchased Assets (as defined herein).

**NOW THEREFORE**, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE 1 INTERPRETATION AND DEFINITIONS

#### 1.1 Definitions

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

- (a) “Affiliate” shall have the meaning ascribed thereto in *The Business Corporations Act* (Saskatchewan).

- (b) “**Agreement**” means this asset purchase agreement including all exhibits and schedules and all amendments or restatements, as permitted.
- (c) “**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in Regina, Saskatchewan on which Canadian chartered banks are open for commercial banking business during normal banking hours.
- (d) “**Buildings**” means all buildings and improvements, which are fixtures situated on the Lands.
- (e) “**Closing**” means the closing of the transaction contemplated by this Agreement.
- (f) “**Closing Date**” has the meaning specified in Section 2.8.
- (g) “**Closing Documents**” means the documents referred to in Sections 9.2 and 9.3 hereof.
- (h) “**Conditions Precedent**” means the conditions precedent specified in Section 2.2.
- (i) “**Court**” means the Court of Queen’s Bench of Saskatchewan.
- (j) “**Deposit**” means the deposit paid pursuant to Section 2.4 (a).
- (k) “**Environmental Legislation**” means any federal, provincial or other jurisdictional legislation and regulations as enacted and amended from time to time, statute, or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *The Environmental Management and Protection Act, 2010* (Saskatchewan), the *Canadian Environmental Protection Act, The Management and Reduction of Greenhouse Gases Act* (Saskatchewan) and *The Dangerous Goods Transportation Act* (Saskatchewan), or any regulations under such legislation.
- (l) “**Governmental Authority**” means any Canadian federal, provincial, municipal or local or governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.
- (m) “**Lands**” means the real property located at:  
  
1321 Second Street, Estevan, Saskatchewan and legally described as Surface Parcel No. 107400912, Reference land description; Lot 16, Blk/Par 52, Plan 12675 Ext 0;
- (n) “**Law**” means any Canadian federal, provincial, municipal or local, act, statute, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.
- (o) “**Permitted Encumbrances**” means each of:

- (i) the registered Encumbrances listed in Schedule B;
  - (ii) any subsisting reservations or exceptions, including royalties, contained in the original grant of the Lands from the Crown;
  - (iii) any encumbrances based on the interest of the Purchaser;
  - (iv) any public highway or right-of-way or other public easement, however created, on, over or in respect of the Lands;
  - (v) any right of expropriation that may by statute be vested in any person or corporation or Her Majesty;
  - (vi) any implied encumbrances under *The Land Titles Act, 2000* (Saskatchewan) and
  - (vii) any right-of-way or other easement granted or acquired under any act or law in force in Saskatchewan.
- (p) “**Person**” means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.
- (q) “**Purchased Assets**” means those purchased assets as listed in Schedule A attached hereto.
- (r) “**Purchase Price**” has the meaning specified in Section 2.4.
- (s) “**Purchaser’s Solicitors**” means the firm McKercher LLP 374 3rd Ave S, Saskatoon Saskatchewan, S7K 1M5; Attention; Alexandra Barlas.
- (t) “**Receiver’s Solicitors**” means the firm Kanuka Thuringer LLP, Barristers and Solicitors, 1400-2500 Victoria Avenue, Regina, Saskatchewan, S4P 3X2, Attention: Warren Sproule Q.C.
- (u) “**Substantial Damage**” means any damage that occurs to the Purchased Assets prior to the Closing Date which exceeds One Hundred Thousand Dollars (\$100,000.00) in insured value.
- (v) “**Tax**” means any and all transfer taxes, goods and services taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include:
- (i) income or disposition tax levied on the Receiver or the Company arising by reason of the sale of the Purchased Assets; or
  - (ii) Municipal real property taxes.
- (w) “**Vesting Order**” means an order approving the sale of the Lands and Buildings to the Purchaser to be granted by the Court and vesting in the name of the Purchaser, upon payment of the Purchase Price registered title to the Lands and Buildings, free and clear of all encumbrances, liens and charges,

other than the Permitted Encumbrances, and otherwise in a form reasonably acceptable to the Receiver.

## **1.2 Interpretation**

In this Agreement:

- (a) Consent - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) Currency – Unless otherwise specified all references to money amounts are to lawful currency of Canada.
- (c) Number and Gender – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (d) Statutory References – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) Time - Time is of the essence in the performance of the parties' respective obligations.
- (f) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

## **1.3 List of Schedules**

The following Schedules are incorporated in and form an integral part of this Agreement:

Schedule A	-	Purchased Assets
Schedule B	-	Permitted Encumbrances

(Collectively the "**Schedules**")

## **ARTICLE 2 PURCHASE AND SALE OF ASSETS**

### **2.1 The Purchased Assets**

Subject to the terms and conditions of this Agreement, on the Closing Date the Receiver hereby agrees to sell, assign and transfer to the Purchaser all of the rights, title and interest

of the Company, in and to the Purchased Assets, which includes registered title under *The Land Titles Act, 2000 (Saskatchewan)* to the Lands and Buildings, with such title to vest free and clear of all encumbrances, other than the Permitted Encumbrances, and the Purchaser hereby agrees to purchase such Purchased Assets from the Receiver on the Closing Date, for the Purchase Price.

The Purchaser agrees to accept such title to the Purchased Assets, subject to the Permitted Encumbrances including without limitation, building and zoning by-laws, minor easements for hydro, telephone and like services and to restrictions and covenants that run with the Lands, and the Purchaser shall assume responsibility from and after the Closing Date for compliance therewith.

The parties hereto acknowledge and agree that the Receiver shall deliver the Purchased Assets to the Purchaser effective on the Closing Date by delivering possession of any and all Lands forming part of the Purchased Assets and by permitting the Purchaser to take possession of the remainder of the Purchased Assets. The Receiver shall not be required to consolidate such assets in any one location.

## **2.2 Conditions Precedent**

The Receiver and Purchaser agree and acknowledge that this Agreement is subject to:

- (a) the Court granting a Vesting Order on or before July 12, 2021; and
- (b) the Vesting Order not having been stayed, reversed, or dismissed on or prior to the time of closing on the Closing Date. For greater certainty, expiration of the appeal period for the Vesting Order shall not be a pre-condition of the Purchaser's or Receiver's obligation to complete the within transaction.

(hereafter collectively referred to as the "**Conditions Precedent**")

## **2.3 Effect of Failure of Conditions Precedent**

The parties acknowledge and agree that the Conditions Precedent set out in Sections 2.2(a) and 2.2(b) are for the benefit of both the Purchaser and the Receiver and may only be satisfied or waived by both the Purchaser and the Receiver.

In the event any of the Conditions Precedent are not satisfied or waived within the applicable times, by the applicable party, the parties hereto shall have no further obligations to each other pursuant to this Agreement. If the parties do not agree to a revised agreement of sale, any amounts deposited by the Purchaser pursuant to Section 2.4 below, shall be returned to the Purchaser pursuant to Section 2.5.

## **2.4 Purchase Price**

The aggregate purchase price payable by the Purchaser to the Receiver in consideration of the sale of the Purchased Assets, which includes the Deposit, shall be Two Hundred and Eight Thousand Dollars (\$208,000.00) (the "**Purchase Price**") exclusive of Taxes, subject only to the closing adjustments contemplated hereunder. The Purchase Price will be satisfied by the Purchaser as follows:



- (a) the amount of Twenty thousand and Eighty Dollars (\$20,080.00), as previously provided as a deposit (the “**Deposit**”) and held in trust by Grasswood Auctions (“**Grasswood**”) and which shall be dealt with in accordance with Section 2.5 of this Agreement;
- (b) as to the balance of the Purchase Price, subject to adjustments as herein provided, by payment on or before the Closing Date by wire transfer, money order, certified cheque, bank draft or solicitor’s trust cheque to the Receiver’s solicitor under trust conditions as described herein;

The Purchase Price does not include Taxes. All Taxes payable in connection with the purchase and sale of the Purchased Assets shall be the responsibility of the Purchaser and shall be paid as and when required by Law in order to permit the consummation of the purchase and sale of the Purchased Assets as contemplated herein. The Purchaser shall remain liable for all Taxes which liability and obligation will survive any formal closing and transfer of title to the Purchaser.

**2.5 Deposit**

The Deposit which has been provided by the Purchaser to Grasswood as part of the Auction Bid Summary Proposal process, and held in trust with Grasswood, shall be dealt with as follows:

- (a) in the event the Closing occurs on or before the Closing Date, applied without interest toward the Purchase Price;
- (b) forfeited in its entirety to the Receiver as liquidated damages in the event that after the Conditions Precedent have been satisfied, the Closing does not occur on or before the Closing Date by reason of the Purchaser’s breach of its obligations hereunder, without prejudice to the Receiver’s rights and recourses against the Purchaser to seek additional damages or other remedies; or
- (c) in the event that any of the Conditions Precedent have not been satisfied or waived by the dates specified, the Deposit shall be returned, without interest, to the Purchaser.

**2.6 Allocation of Purchase Price**

The Purchase Price allocation shall be as follows:

1321 Second Street, Estevan, Saskatchewan

Lands:	\$ 106,800.00
Buildings:	\$ 100,000.00
Miscellaneous (6 units at \$200.00 per unit)	\$ 1,200.00
Total:	\$ 208,000.00

## **2.7 Adjustment to the Purchase Price**

The Purchaser and Receiver agree to each prepare and file on a timely basis all applicable tax forms consistent with the above-noted allocation.

Customary adjustments to the Purchase Price shall be made as of the Closing Date such as property taxes, utilities, rents payable (and deposits as and where applicable), and adjustments for prepaid revenues and expenses.

## **2.8 Closing**

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Purchased Assets as contemplated by this Agreement shall take place on the 5<sup>th</sup> Business Day after the issuance of the Vesting Order (the “**Closing Date**”), and shall be completed under solicitor’s trust conditions, consistent with Article 9, to be agreed to between the Receiver’s Solicitors and the Purchaser’s Solicitors both acting reasonably.

## **2.9 GST**

Where the Purchaser is a GST registrant and shall self-assess GST with respect to the purchase and sale of the Purchased Assets and remit such amount to Canada Revenue Agency within thirty (30) days of the Closing Date, and thereafter provide confirmation of such payment to the Receiver. The Purchaser’s GST number is \_\_\_\_\_. Upon Closing, the Purchaser agrees to provide to the Receiver an executed GST Declaration and Indemnity.

# **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE RECEIVER**

The Receiver hereby represents to the Purchaser as follows:

## **3.1 Appointment as Receiver**

As of the date of executing this Agreement, the Receiver is the Court appointed Receiver for the Company under and pursuant to the Order, which Order is in full force and effect.

## **3.2 Resident of Canada**

At the Closing Date, the Receiver is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

## **3.3 No Other Agreement to Sell Purchased Assets**

Except for, and as of the date of, this Agreement the Receiver has not entered into any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase from the Receiver of any of the Purchased Assets and the Receiver is not aware of any claims against the Company in respect of the Purchased Assets that would not be expunged by the Vesting Order.

### **3.4 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Receiver on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Receiver, subject to any direction of the Court.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF PURCHASER**

The Purchaser represents and warrants to the Receiver as follows:

### **4.1 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Purchaser.

### **4.2 Validity, Etc.**

Neither the execution and delivery of this Agreement by the Purchaser and the other documents and instruments contemplated hereby, the consummation of the transaction contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will:

- (a) conflict with or result in any breach of the articles or by-laws of the Purchaser, or resolution of shareholders or directors or any Law applicable to the Purchaser;
- (b) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority;
- (c) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Purchaser is a party; or
- (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Purchaser.

### **4.3 Caveats by the Purchaser**

The Purchaser warrants that it will not, under any circumstances whatsoever, register a caveat, encumbrance, charge or otherwise, pursuant to this Agreement or any other interest or agreement, to any of the Purchased Assets prior to the Closing Date.

### **4.4 Resident**

As at the Closing Date, the Purchaser is not a non-Canadian for purposes of the *Investment Canada Act*.

## **ARTICLE 5 ACKNOWLEDGEMENTS BY PURCHASER**

### **5.1 “As Is, Where Is”**

The Purchaser acknowledges that the Purchased Assets are purchased on an “as is, where is” basis and without any representation or warranty of any kind except as expressly provided herein, and that the Receiver has not, and is not required to inspect the Purchased Assets. The Purchaser further acknowledges that it has had an opportunity to conduct and has or will complete its due diligence regarding the Purchased Assets, and will be satisfied as to their quality and condition and will accept the same on the Closing Date in their state, condition, and location existing as of the date of this Agreement, reasonable wear and tear excepted. For greater certainty the Purchaser acknowledges that the Receiver, the Receiver’s Solicitor, the Company, and any of their directors, officers, employees, professional consultants, agents, or advisors make, or has made, no representation, promise, condition, warranty, or guaranty, whether statutory (including under *The Sale of Goods Act* (Saskatchewan) or similar legislation in other jurisdictions applicable hereto and all of the same are hereby waived by the Purchaser), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing whatsoever including, without limitation, the rights, title, and interests of the Company, if any, therein and wherever all or part of the Purchased Assets are situated. The Purchaser shall be deemed to have relied entirely on its own independent review, inspection, and investigation in proceeding with the transaction contemplated hereunder, and acknowledges that the Receiver has made no representations as to the accuracy and completeness of the Schedules, and as such the Purchaser shall have no recourse as against the Receiver, the Company, and any of their directors, officers, employees, professional consultants, agents, advisors, or the Receiver’s Solicitor, in Law or equity for any deficiency, perceived or otherwise, with respect to the Purchased Assets pursuant to this Agreement.

### **5.2 Environmental Condition**

Without limiting the generality of Section 5.1, the Purchaser:

- (a) acknowledges that the Receiver makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCBs, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment;

- (b) acknowledges that it has inspected the Purchased Assets for the presence of any contaminants, hazardous substances or materials, toxins, pollutants or other environmental issues which may affect in any way the Purchased Assets;
- (c) acknowledges that the Receiver makes no representation regarding the compliance of the Purchased Assets with any Environmental Legislation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory;
- (d) agrees with the Receiver that the Purchaser accepts responsibility respecting liability for any contamination and required remediation of any of Lands included in the Purchased Assets.

Without limitation to any other provision of this Agreement, the provision of this Section 5.2 shall not merge on, but shall survive, the Closing.

## **ARTICLE 6 COVENANTS OR APPROVALS**

### **6.1 Consents**

Notwithstanding any other provision of this Agreement, subject to and except for the Vesting Order, the Purchaser acknowledges and agrees that, to the extent that any of the Purchased Assets may be subject to terms of any lease, license or consent of any third party, the Receiver shall have no obligation to obtain any consent or approval or make any arrangement or payment which may be required for the assignment of any contract, lease or other agreement respecting any of the Purchased Assets including, without restriction, the obtaining of any authorization, approval or consent of any Governmental Authority and that it shall be the sole responsibility of the Purchaser, at the Purchaser's sole expense, to obtain any necessary consents or approvals and to make any necessary arrangement or payments in relation thereto. The obtaining of such consents or approvals shall not, in any manner, be a pre-condition to the completion of or effect or limit the Purchaser's obligations to complete the within transaction provided that the Receiver shall, where necessary and provided the Receiver shall not have any obligation to provide any payment or other consideration to any party in this regard, cooperate with the Purchaser in a commercially reasonable manner to assist the Purchaser in obtaining any such consents or approvals. The Purchaser agrees to assume the obligations under and hold the Receiver harmless in respect of any lease, license or other agreement in respect of the Purchased Assets to the complete exoneration and satisfaction of the Receiver.

## **ARTICLE 7 COVENANTS**

### **7.1 Vesting Order**

The Receiver shall, as soon as commercially reasonable, apply for a Vesting Order and the parties hereto agree that they will work together, and execute any and all documents necessary to apply for and obtain the Vesting Order from the Court with respect to this Agreement.

## **7.2 Limited Obligations of the Receiver**

The Purchaser acknowledges and agrees that the Receiver's obligations in connection with this Agreement, until it is approved by the Court, are limited to seeking the Vesting Order. Thereafter, the Receiver is subject to the jurisdiction and discretion of the Court respecting any order or orders the Court may make regarding the Purchased Assets.

## **7.3 Limited Liability**

If the Court does not approve this Agreement or vacates, sets aside or varies any order approving this Agreement for any reason whatsoever (except any willful misconduct of the Receiver), then the Receiver will not be liable to the Purchaser or any other person in any way whatsoever, in connection therewith, and the parties shall proceed in accordance with the terms as articulated in Section 2.3 of this Agreement.

## **ARTICLE 8 CONDITIONS TO THE RECEIVER'S CLOSING OBLIGATIONS**

The obligation of the Receiver to perform its obligations under this Agreement and to consummate the transaction contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Receiver in its sole discretion:

### **8.1 Representations and Warranties**

The representations and warranties of the Purchaser contained in Article 4 shall be true, correct and complete in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

### **8.2 Performance**

The Purchaser shall have performed its obligations under this Agreement in all material respects.

## **ARTICLE 9 CLOSING MATTERS**

### **9.1 Closing Procedure**

The parties agree to close the transactions contemplated hereunder, under reasonable solicitor's trust conditions to be negotiated and agreed to consistent with the type of transaction.

### **9.2 The Purchaser's Closing Documents**

Concurrently with delivery of the Purchase Price payable on the Closing Date, and in accordance with trust conditions to be agreed to, the Purchaser's Solicitors shall deliver the

following to the Receiver's Solicitors subject to the undertakings to be given by the Receiver's Solicitors:

- (a) An executed GST declaration and indemnity or GST as applicable;
- (b) all other documents required to be executed by the Purchaser pursuant hereto; and
- (c) such other documents as may be requested by the Receiver or Receiver' Solicitor, acting reasonably to give effect to the transactions contemplated hereunder.

### **9.3 Receiver's Closing Documents**

Upon receipt of the balance of the Purchase Price, any applicable interest and the Purchaser's Closing Documents the Receiver's Solicitor will deliver to the Purchaser's Solicitor, and in accordance with its undertakings:

- (a) the Vesting Order issued by the Court directing the registrar of the Land Titles Registry (Saskatchewan) to issue title to the Lands in the name of the Purchaser and the Receivers Certificate confirming closing;
- (b) such documents, passwords, necessary or desirable in the Receiver's opinion, acting reasonably, provided that the Purchaser shall remain liable under this Agreement, notwithstanding any assignments made by the Purchaser of the Purchased Assets to any third parties, to affect the assignment, transfer and sale of the Purchased Assets to the Purchaser, to the extent not effected by the Vesting Order, in form and substance satisfactory to the Purchaser, acting reasonably.

## **ARTICLE 10 ADDITIONAL AGREEMENTS**

### **10.1 Non-Disclosure - Purchaser**

If the Closing fails to occur for whatever reason, thereafter, the Purchaser agrees, pursuant to the terms of this section, not to divulge, communicate or disclose, except as may be required by Law or for the performance of this Agreement, or use to the detriment of the Receiver or for the benefit of any other Person or Persons, or misuse in any way, any confidential information of the Receiver or the Company related to the Purchased Assets. In the event that the Purchaser is required to divulge, communicate or disclose any such confidential information pursuant to any Law, the Purchaser shall promptly provide written notice to the Receiver of such requirement so that the Receiver may seek a protective order or other appropriate remedy (in which case the Purchaser will cooperate fully). If no such protective order or other remedy is obtained, the Purchaser will disclose only that portion of such confidential information which it is advised by counsel it is legally required to disclose.

## **10.2 Disclosure of Information**

Without limiting the generality of Section 10.1, the Purchaser acknowledges and agrees that in the course of the Purchaser's due diligence in respect of the Purchased Assets, the Purchaser may request and the Receiver may disclose certain personnel records and other information related to the Purchased Assets or the Company that may include "personal information" (the "**Personal Information**") as defined in and subject to the *Personal Information Protection and Electronic Documents Act* ("**PIPEDA**"). For the purposes of Sections 7-7.4 of PIPEDA:

- (a) the Purchaser hereby confirms to the Receiver that the Personal Information that the Purchaser may hereafter request in the course of its due diligence is necessary in order for the Purchaser to determine whether to proceed with the proposed purchase of the Purchased Assets; and
- (b) the Purchaser hereby covenants and agrees that:
  - (i) prior to Closing, any Personal Information that the Receiver discloses to the Purchaser shall be used by the Purchaser solely for purposes related to its due diligence and its proposed purchase of the Purchased Assets, and the Purchaser shall not disclose or otherwise make available any of the Personal Information to any Person except employees, directors, officers and professional advisors of the Purchaser with a need to know for the purposes of such due diligence and proposed purchase;
  - (ii) if the proposed purchase of the Purchased Assets does not proceed or is not completed, the Purchaser will destroy or return to the Receiver all of the Personal Information disclosed to the Purchaser by the Receiver in accordance with the Receiver's instructions; and
  - (iii) if the proposed purchase of the Purchased Assets is completed:
    - A. the Purchaser shall only use or disclose the Personal Information for the same purposes for which it was collected, used or disclosed by the Receiver, or as otherwise permitted by and in accordance with PIPEDA; and
    - B. the Purchaser shall notify the individuals who are the subject of the Personal Information that the purchase of the Purchased Assets has taken place and that their Personal Information was disclosed to the Receiver.

## **ARTICLE 11 DEFAULT OF THE PURCHASER**

### **11.1 Failure to Fulfill Obligations**

The Purchaser shall indemnify the Receiver, in its capacity as receiver for the Company for any damage incurred by the Receiver now or in the future as a result of any such default by



the Purchaser or failure to comply with or fulfil any one of its obligations herein, without prejudice to any other right or recourse of the Receiver.

### **11.2 Failure to Deliver Payment on Closing Date**

If the balance of the Purchase Price is not paid on or before Closing Date, and the Receiver agrees to accept late payment, the Purchaser agrees to pay to the Receiver interest at the rate of four percent (4%) per annum, on any portion of the Purchase Price not received by the Receiver or the Receiver's Solicitor as at the Closing Date, the interest to be calculated from the Closing Date, until the entire Purchase Price is received by the Receiver or the Receiver's Solicitor, for free release, up to a maximum of thirty (30) days from the Closing Date and, thereafter, at the sole discretion of the Receiver this Agreement may become null and void and all amounts paid and delivered to the Receiver, the Receiver's Solicitor or Grasswood are forfeited to the Receiver.

## **ARTICLE 12 INDEMNIFICATION**

### **12.1 Survival of Representations and Warranties**

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party, continue in full force and effect for a period of twenty-four (24) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law and in respect of any claims against the Receiver, subject to leave of the Court. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

### **12.2 Purchaser's Indemnification of the Receiver**

In addition to the indemnity contained in Section 5.2(d), the Purchaser shall indemnify, defend and hold harmless the Receiver and its officers, directors, employees, agents and shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Purchased Assets.

## **ARTICLE 13 TERMINATION**

### **13.1 Termination**

This Agreement may be terminated and the transaction contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Purchaser and the Receiver;
- (b) by the Purchaser or the Receiver if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken any other action specifically restraining, enjoining or otherwise prohibiting the transaction contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date, in which case, Section 2.5 shall apply;
- (c) by the Purchaser or the Receiver if, on or before the Closing Date, a material part of the Purchased Assets has been removed from the control of the Receiver by any means or process, or the Purchased Assets, or any part thereof, are redeemed; and
- (d) by the Purchaser or the Receiver if the conditions contained in Article 8 and Article 9, respectively, are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

### **13.2 Effect of Termination**

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 13.1, the provisions of Articles 10 and 11 of this Agreement shall survive, and the provisions of Section 2.5 shall apply with respect to the Deposit. Nothing in this Article 13 shall relieve any party to this Agreement of liability for breach of this Agreement.

## **ARTICLE 14 MISCELLANEOUS**

### **14.1 No Personal Liability of the Receiver**

With respect to this Agreement and all matters pertaining to hereto, the Purchaser acknowledges that the Receiver is acting solely in its capacity as court appointed receiver and manager of the Company and as such, its liability as a consequence of this Agreement or anything done by it pursuant hereto shall be in its capacity as receiver only, and it shall have no personal liability or corporate liability of any kind, whether in contract or in tort or otherwise.

### **14.2 Risk of Loss**

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Receiver. If, prior to the time of the Closing, all or any material part of the Purchased Assets are Substantially Damaged by fire or any other casualty, the Purchaser shall have the first option to elect to accept from the Receiver, the insurance proceeds as paid out under the Receiver's insurance policy and complete the transaction as otherwise contemplated by this Agreement, without any reduction of the Purchase Price or terminate this Agreement exercisable within 20 Business Days from the date of such Substantial Damage, casualty or expropriation by providing written notice (the "**Destruction Notice**") thereof to the Receiver and, upon such notice being given, this Agreement shall terminate and be of no further force or effect and the Receiver shall return the Deposit to the Purchaser. Where any damage is not substantial, the Purchaser shall be obligated to complete the purchase and shall be entitled to the proceeds of insurance referable to such damage, but not to any other costs or compensation whatsoever.

### **14.3 Notices**

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, (iii) by email, or (iv) sent by recognized overnight courier.

If to the Purchaser:

Iurii Akinchets  
c/o McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Alexandra Barlas  
Facsimile No.: (306) 653-2669  
Email: a.barlas@mckercher.ca

With a copy to:

McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Alexandra Barlas

Facsimile No.:(306) 653-2669  
Email:a.barlas@mckercher.ca

If to the Receiver:

MNP LTD.  
2010 11th Ave Suite  
900, Regina, SK  
S4P 0J3

Attention: Ian Schofield  
Facsimile No.:  
Email: lan.schofield@mnp.ca

With a copy to:

Kanuka Thuringer LLP  
1400 – 2500  
Victoria Avenue  
Regina, SK  
S4P 3X2

Attention: Warren Sproule  
Email: wsproule@kanuka.ca

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 14.3, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if by email, at the time that the email is sent to the receiving party, or (iv) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

#### **14.4 Entire Agreement**

This Agreement together with any Exhibits and Schedules hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, contemporaneous agreements, negotiations, discussions and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

#### **14.5 Modifications and Amendments**

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court.

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.

#### **14.6 Waivers and Consents**

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right,

power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

#### **14.7 Assignment**

Subject to this Section, no party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

#### **14.8 Parties in Interest**

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

#### **14.9 Governing Law**

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of Saskatchewan and the federal laws of Canada applicable therein.

#### **14.10 Waiver of Certain Acts**

The parties agree that if the Purchaser is a corporation:

- (a) That *The Land Contracts (Actions) Act*, 2018 of the Province of Saskatchewan shall have no application to any action as defined in *The Land Contracts (Actions) Act* aforesaid, with respect to this Agreement; and
- (b) That *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement.

**14.11 Interpretation**

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

**14.12 Headings and Captions**

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

**14.13 Preamble**

The Preamble forms part of this Agreement.

**14.14 Enforcement**

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

**14.15 Expenses**

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transaction contemplated hereby whether or not the transaction contemplated hereby are consummated.

**14.16 Publicity**

The Purchaser shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transaction contemplated by, this Agreement without the prior written consent of the Receiver, such consent not to be unreasonably withheld.

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**14.17 Counterparts**

This Agreement may be executed in counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile or other electronic means of transmission.

**IN WITNESS WHEREOF**, the Purchaser and the Receiver have executed this Agreement as of the day and year first written above.

**MNP LTD.**

In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")

Per:

\_\_\_\_\_  
Name: Ian Schofield  
Title: Senior Vice President

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
IURII AKINCHETS

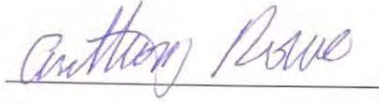
**MNP LTD.**

In its capacity as court-appointed receiver of

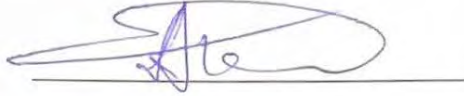
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")

Per:

Name: Ian Schofield  
Title: Senior Vice President



WITNESS



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**SCHEDULE A  
Purchased Assets**

**1. Lands**

1321 Second Street, Estevan, Saskatchewan Surface Parcel No. 107400912  
Reference land description: Lot 16, Blk/Par 52, Plan 12675 Ext 0 as described on  
Certificate of Title 85R14992

**2. Buildings, and**

**3. Miscellaneous-**Appliances and hot water tanks, hot water boilers, stoves, fridges,  
microwaves, dishwashers, washers and driers on the Lands and Buildings



## **SCHEDULE A**

### **Purchased Assets**

#### **1. Lands**

1321 Second Street, Estevan, Saskatchewan Surface Parcel No. 107400912  
Reference land description: Lot 16, Blk/Par 52, Plan 12675 Ext 0 as described on  
Certificate of Title 85R14992

#### **2. Buildings; and**

#### **3. Miscellaneous-Appliances and hot water tanks, hot water boilers, stoves, fridges, microwaves, dishwashers, washers and driers on the Lands and Buildings.**

**SCHEDULE B  
REGISTERED PERMITTED ENCUMBRANCES**

<b>SURFACE PARCEL NUMBER</b>	<b>REFERENCE LAND DESCRIPTION</b>	<b>HOLDER</b>	<b>TYPE</b>	<b>INTEREST #</b>	<b>INTEREST REGISTER NUMBER</b>
107400912	Lot 16 Blk/Par 52 Plan 12675 Extension 0 As described on Certificate of Title 85R14992	N/A			

DM 2941532 v5

Appendix II

**Asset Purchase Agreement for  
126-130 Perkins St**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is executed and effective as of July 1, 2021

BETWEEN:

CANDEA LEASING LTD.  
(the "Purchaser")

OF THE FIRST PART

- and -

MNP LTD.  
In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")  
(the "Receiver")

OF THE SECOND PART

WHEREAS:

- A. An Order of the Saskatchewan Court of Queen's Bench granted March 17, 2020 (the "Order"), pursuant to s. 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, appointed the Receiver as receiver of 101118672 Saskatchewan Ltd. (formerly known as "Korf Properties Ltd.") (the "Company"), with respect to all of the Company's current buildings and lands located at 126-130 Perkins Street Estevan, Saskatchewan including proceeds thereof.
- B. Pursuant to the terms and conditions as set out in the Auction Bid Summary Proposals dated June 1, 2021 (the "Auction Bid Summary Proposal"), the Receiver wishes to sell to the Purchaser and the Purchaser desires to purchase from the Receiver the Purchased Assets (as defined herein).

NOW THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE 1 INTERPRETATION AND DEFINITIONS

#### 1.1 Definitions

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

- (a) "Affiliate" shall have the meaning ascribed thereto in *The Business Corporations Act* (Saskatchewan).

- (b) **"Agreement"** means this asset purchase agreement including all exhibits and schedules and all amendments or restatements, as permitted.
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in Regina, Saskatchewan on which Canadian chartered banks are open for commercial banking business during normal banking hours.
- (d) **"Buildings"** means all buildings, improvements and equipment affixed to the Lands including cranes and air compressors, which are fixtures situated on the Lands.
- (e) **"Closing"** means the closing of the transaction contemplated by this Agreement.
- (f) **"Closing Date"** has the meaning specified in Section 2.8.
- (g) **"Closing Documents"** means the documents referred to in Sections 9.2 and 9.3 hereof.
- (h) **"Conditions Precedent"** means the conditions precedent specified in Section 2.2.
- (i) **"Court"** means the Court of Queen's Bench of Saskatchewan.
- (j) **"Deposit"** means the deposit paid pursuant to Section 2.4 (a).
- (k) **"Environmental Legislation"** means any federal, provincial or other jurisdictional legislation and regulations as enacted and amended from time to time, statute, or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *The Environmental Management and Protection Act, 2010* (Saskatchewan), the *Canadian Environmental Protection Act*, *The Management and Reduction of Greenhouse Gases Act* (Saskatchewan) and *The Dangerous Goods Transportation Act* (Saskatchewan), or any regulations under such legislation.
- (l) **"Governmental Authority"** means any Canadian federal, provincial, municipal or local or governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.
- (m) **"Lands"** means the real property located at:

77-79 Devonian Street Estevan, Saskatchewan and legally described as Surface Parcel Nos. 107415907 and 107415895 Reference land description: Lot 6-7, Blk/Par 4, Plan 59A01748, Ext 0. and 353 Imperial Avenue Estevan, Saskatchewan, and legally described as Surface Parcel No. 164779161 with reference land description Lot 27 Blk/Par 4, Plan 102019788 and Surface Parcel Nos; 107416571, 107416526, 107399100 and 107416559 Reference land description: Lot 24, 23, 20, 19, Blk/Par 4, 98SE09285 Ext 0.

- (n) **"Law"** means any Canadian federal, provincial, municipal or local, act, statute, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.
- (o) **"Permitted Encumbrances"** means each of:
- (i) the registered Encumbrances listed in Schedule B;
  - (ii) any subsisting reservations or exceptions, including royalties, contained in the original grant of the Lands from the Crown;
  - (iii) any encumbrances based on the interest of the Purchaser;
  - (iv) any public highway or right-of-way or other public easement, however created, on, over or in respect of the Lands;
  - (v) any right of expropriation that may by statute be vested in any person or corporation or Her Majesty;
  - (vi) any implied encumbrances under *The Land Titles Act, 2000* (Saskatchewan) and
  - (vii) any right-of-way or other easement granted or acquired under any act or law in force in Saskatchewan.
- (p) **"Person"** means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.
- (q) **"Purchased Assets"** means collectively the Lands and Buildings.
- (r) **"Purchase Price"** has the meaning specified in Section 2.4.
- (s) **"Purchaser's Solicitors"** means the firm McKercher LLP 374 3rd Ave S, Saskatoon, Saskatchewan, S7K 1M5; Attention; Bruce Harrison.
- (t) **"Receiver's Solicitors"** means the firm Kanuka Thuringer LLP, Barristers and Solicitors, 1400-2500 Victoria Avenue, Regina, Saskatchewan, S4P 3X2, Attention: Warren Sproule Q.C.
- (u) **"Substantial Damage"** means any damage that occurs to the Purchased Assets prior to the Closing Date which exceeds One Hundred Thousand Dollars (\$100,000.00) in insured value.
- (v) **"Tax"** means any and all transfer taxes, goods and services taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include:
- (i) income or disposition tax levied on the Receiver or the Company arising by reason of the sale of the Purchased Assets; or
  - (ii) Municipal real property taxes.

- (w) **"Vesting Order"** means an order approving the sale of the Lands and Buildings to the Purchaser to be granted by the Court and vesting in the name of the Purchaser, upon payment of the Purchase Price registered title to the Lands and Buildings, free and clear of all encumbrances, liens and charges, other than the Permitted Encumbrances, and otherwise in a form reasonably acceptable to the Receiver.

## **1.2 Interpretation**

In this Agreement:

- (a) **Consent** - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) **Currency** – Unless otherwise specified all references to money amounts are to lawful currency of Canada.
- (c) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (d) **Statutory References** – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) **Time** - Time is of the essence in the performance of the parties' respective obligations.
- (f) **Time Periods** - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

## **1.3 List of Schedules**

The following Schedules are incorporated in and form an integral part of this Agreement:

Schedule A	-	Purchased Assets
Schedule B	-	Permitted Encumbrances

(Collectively the **"Schedules"**)

## **ARTICLE 2 PURCHASE AND SALE OF ASSETS**

### **2.1 The Purchased Assets**

Subject to the terms and conditions of this Agreement, on the Closing Date the Receiver hereby agrees to sell, assign and transfer to the Purchaser all of the rights, title and interest of the Company, in and to the Purchased Assets, which includes registered title under *The Land Titles Act, 2000 (Saskatchewan)* to the Lands and Buildings, with such title to vest free and clear of all encumbrances, other than the Permitted Encumbrances, and the Purchaser hereby agrees to purchase such Purchased Assets from the Receiver on the Closing Date, for the Purchase Price.

The Purchaser agrees to accept such title to the Purchased Assets, subject to the Permitted Encumbrances including without limitation, building and zoning by-laws, minor easements for hydro, telephone and like services and to restrictions and covenants that run with the Lands, and the Purchaser shall assume responsibility from and after the Closing Date for compliance therewith.

The parties hereto acknowledge and agree that the Receiver shall deliver the Purchased Assets to the Purchaser effective on the Closing Date by delivering possession of any and all Lands and Buildings forming part of the Purchased Assets and by permitting the Purchaser to take possession of the remainder of the Purchased Assets. The Receiver shall not be required to consolidate such assets in any one location.

## **2.2 Conditions Precedent**

The Receiver and Purchaser agree and acknowledge that this Agreement is subject to:

- (a) the Court granting a Vesting Order on or before July 12, 2021; and
- (b) the Vesting Order not having been stayed, reversed, or dismissed on or prior to the time of closing on the Closing Date. For greater certainty, expiration of the appeal period for the Vesting Order shall not be a pre-condition of the Purchaser's or Receiver's obligation to complete the within transaction.

(hereafter collectively referred to as the "**Conditions Precedent**")

## **2.3 Effect of Failure of Conditions Precedent**

The parties acknowledge and agree that the Conditions Precedent set out in Sections 2.2(a) and 2.2(b) are for the benefit of both the Purchaser and the Receiver and may only be satisfied or waived by both the Purchaser and the Receiver.

In the event any of the Conditions Precedent are not satisfied or waived within the applicable times, by the applicable party, the parties hereto shall have no further obligations to each other pursuant to this Agreement. If the parties do not agree to a revised agreement of sale, any amounts deposited by the Purchaser pursuant to Section 2.4 below, shall be returned to the Purchaser pursuant to Section 2.5.

## **2.4 Purchase Price**

The aggregate purchase price payable by the Purchaser to the Receiver in consideration of the sale of the Purchased Assets, which includes the Deposit, shall be Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "**Purchase Price**") exclusive of Taxes, subject



only to the closing adjustments contemplated hereunder. The Purchase Price will be satisfied by the Purchaser as follows:

- (a) the amount of Twenty Five Thousand (\$25,000.00) Dollars, as previously provided as a deposit (the "**Deposit**") and held in trust by Grasswood Auctions ("**Grasswood**") and which shall be dealt with in accordance with Section 2.5 of this Agreement;
- (b) as to the balance of the Purchase Price, subject to adjustments as herein provided, by payment on or before the Closing Date by wire transfer, money order, certified cheque, bank draft or solicitor's trust cheque to the Receiver's solicitor under trust conditions as described herein;

The Purchase Price does not include Taxes. All Taxes payable in connection with the purchase and sale of the Purchased Assets shall be the responsibility of the Purchaser and shall be paid as and when required by Law in order to permit the consummation of the purchase and sale of the Purchased Assets as contemplated herein. The Purchaser shall remain liable for all Taxes which liability and obligation will survive any formal closing and transfer of title to the Purchaser.

## **2.5 Deposit**

The Deposit which has been provided by the Purchaser to Grasswood as part of the Auction Bid Summary Proposal process, and held in trust with Grasswood, shall be dealt with as follows:

- (a) in the event the Closing occurs on or before the Closing Date, applied without interest toward the Purchase Price;
- (b) forfeited in its entirety to the Receiver as liquidated damages in the event that after the Conditions Precedent have been satisfied, the Closing does not occur on or before the Closing Date by reason of the Purchaser's breach of its obligations hereunder, without prejudice to the Receiver's rights and recourses against the Purchaser to seek additional damages or other remedies; or
- (c) in the event that any of the Conditions Precedent have not been satisfied or waived by the dates specified, the Deposit shall be returned, without interest, to the Purchaser.

## **2.6 Allocation of Purchase Price**

The Purchase Price allocation shall be as follows:

77-79 Devonian Street, Estevan, Saskatchewan

Lands:	\$ 50,000.00
Buildings:	\$ 75,000.00

353 Imperial Avenue, Estevan, Saskatchewan

Lands:	\$ 50,000.00
Buildings:	\$ 75,000.00
Total:	\$ 250,000.00

## **2.7 Adjustment to the Purchase Price**

The Purchaser and Receiver agree to each prepare and file on a timely basis all applicable tax forms consistent with the above-noted allocation.

Customary adjustments to the Purchase Price shall be made as of the Closing Date such as property taxes, utilities, rents payable (and deposits as and where applicable), and adjustments for prepaid revenues and expenses.

The Receiver represents and warrants that the Purchaser will not be liable for any property tax arrears or amounts payable in respect of the Property for the 2021 tax year preceding the Closing Date. The parties will adjust the Purchase Price as of the Closing Date to account for all property taxes owing, regardless of any encumbrance registered against the Lands.

## **2.8 Closing**

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Purchased Assets as contemplated by this Agreement shall take place on the 5<sup>th</sup> Business Day after the issuance of the Vesting Order (the “**Closing Date**”), and shall be completed under solicitor’s trust conditions, consistent with Article 9, to be agreed to between the Receiver’s Solicitors and the Purchaser’s Solicitors both acting reasonably.

## **2.9 GST**

Where the Purchaser is a GST registrant and shall self-assess GST with respect to the purchase and sale of the Purchased Assets and remit such amount to Canada Revenue Agency within thirty (30) days of the Closing Date, and thereafter provide confirmation of such payment to the Receiver. The Purchaser’s GST number is 853300770. Upon Closing, the Purchaser agrees to provide to the Receiver an executed GST Declaration and Indemnity.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE RECEIVER**

The Receiver hereby represents to the Purchaser as follows:

### **3.1 Appointment as Receiver**

As of the date of executing this Agreement, the Receiver is the Court appointed Receiver for the Company under and pursuant to the Order, which Order is in full force and effect.

### **3.2 Resident of Canada**

At the Closing Date, the Receiver is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

### **3.3 No Other Agreement to Sell Purchased Assets**

Except for, and as of the date of, this Agreement the Receiver has not entered into any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase from the Receiver of any of the Purchased Assets and the Receiver is not aware of any claims against the Company in respect of the Purchased Assets that would not be expunged by the Vesting Order.

### **3.4 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Receiver on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Receiver, subject to any direction of the Court.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF PURCHASER**

The Purchaser represents and warrants to the Receiver as follows:

### **4.1 Organization**

The Purchaser is and will be as of the Closing Date duly incorporated or registered, validly subsisting and in good standing under the laws of its jurisdiction of registration, and is, and will be on or before the Closing Date, duly qualified to do business in the province of Saskatchewan.

### **4.2 Authorization**

The Purchaser has the corporate power and authority to execute and enter into this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transaction contemplated hereby have been duly authorized and approved by the Purchaser. No approval or consent of any regulatory authority is required for the Purchaser to enter into this Agreement or to complete the purchase and sale contemplated herein.

### **4.3 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Purchaser.

#### **4.4 Validity, Etc.**

Neither the execution and delivery of this Agreement by the Purchaser and the other documents and instruments contemplated hereby, the consummation of the transaction contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will:

- (a) conflict with or result in any breach of the articles or by-laws of the Purchaser, or resolution of shareholders or directors or any Law applicable to the Purchaser;
- (b) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority;
- (c) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Purchaser is a party; or
- (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Purchaser.

#### **4.5 Caveats by the Purchaser**

The Purchaser warrants that it will not, under any circumstances whatsoever, register a caveat, encumbrance, charge or otherwise, pursuant to this Agreement or any other interest or agreement, to any of the Purchased Assets prior to the Closing Date.

#### **4.6 Resident**

As at the Closing Date, the Purchaser is not a non-Canadian for purposes of the *Investment Canada Act*.

### **ARTICLE 5 ACKNOWLEDGEMENTS BY PURCHASER**

#### **5.1 "As Is, Where Is"**

The Purchaser acknowledges that the Purchased Assets are purchased on an "as is, where is" basis and without any representation or warranty of any kind except as expressly provided herein, and that the Receiver has not, and is not required to inspect the Purchased Assets. The Purchaser further acknowledges that it has had an opportunity to conduct and has or will complete its due diligence regarding the Purchased Assets, and will be satisfied as to their quality and condition and will accept the same on the Closing Date in their state, condition, and location existing as of the date of this Agreement, reasonable wear and tear excepted.. For greater certainty the Purchaser acknowledges that the Receiver, the Receiver's Solicitor, the Company, and any of their directors, officers, employees, professional consultants, agents, or advisors make, or has made, no representation, promise, condition, warranty, or guaranty, whether statutory (including under *The Sale of Goods Act* (Saskatchewan) or

similar legislation in other jurisdictions applicable hereto and all of the same are hereby waived by the Purchaser), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing whatsoever including, without limitation, the rights, title, and interests of the Company, if any, therein and wherever all or part of the Purchased Assets are situated. The Purchaser shall be deemed to have relied entirely on its own independent review, inspection, and investigation in proceeding with the transaction contemplated hereunder, and acknowledges that the Receiver has made no representations as to the accuracy and completeness of the Schedules, and as such the Purchaser shall have no recourse as against the Receiver, the Company, and any of their directors, officers, employees, professional consultants, agents, advisors, or the Receiver's Solicitor, in Law or equity for any deficiency, perceived or otherwise, with respect to the Purchased Assets pursuant to this Agreement.

## **5.2 Environmental Condition**

Without limiting the generality of Section 5.1, the Purchaser:

- (a) acknowledges that the Receiver makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCBs, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment;
- (b) acknowledges that it has inspected the Purchased Assets for the presence of any contaminants, hazardous substances or materials, toxins, pollutants or other environmental issues which may affect in any way the Purchased Assets;
- (c) acknowledges that the Receiver makes no representation regarding the compliance of the Purchased Assets with any Environmental Legislation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory.

Without limitation to any other provision of this Agreement, the provision of this Section 5.2 shall not merge on, but shall survive, the Closing.

## **ARTICLE 6 COVENANTS OR APPROVALS**

### **6.1 Consents**

Notwithstanding any other provision of this Agreement, subject to and except for the Vesting Order, the Purchaser acknowledges and agrees that, to the extent that any of the Purchased Assets may be subject to terms of any lease, license or consent of any third party, the Receiver shall have no obligation to obtain any consent or approval or make any arrangement

or payment which may be required for the assignment of any contract, lease or other agreement respecting any of the Purchased Assets including, without restriction, the obtaining of any authorization, approval or consent of any Governmental Authority and that it shall be the sole responsibility of the Purchaser, at the Purchaser's sole expense, to obtain any necessary consents or approvals and to make any necessary arrangement or payments in relation thereto. The obtaining of such consents or approvals shall not, in any manner, be a pre-condition to the completion of or effect or limit the Purchaser's obligations to complete the within transaction provided that the Receiver shall, where necessary and provided the Receiver shall not have any obligation to provide any payment or other consideration to any party in this regard, cooperate with the Purchaser in a commercially reasonable manner to assist the Purchaser in obtaining any such consents or approvals. The Purchaser agrees to assume the obligations under and hold the Receiver harmless in respect of any lease, license or other agreement in respect of the Purchased Assets to the complete exoneration and satisfaction of the Receiver.

## **ARTICLE 7 COVENANTS**

### **7.1 Vesting Order**

The Receiver shall, as soon as commercially reasonable, apply for a Vesting Order and the parties hereto agree that they will work together, and execute any and all documents necessary to apply for and obtain the Vesting Order from the Court with respect to this Agreement.

### **7.2 Limited Obligations of the Receiver**

The Purchaser acknowledges and agrees that the Receiver's obligations in connection with this Agreement, until it is approved by the Court, are limited to seeking the Vesting Order. Thereafter, the Receiver is subject to the jurisdiction and discretion of the Court respecting any order or orders the Court may make regarding the Purchased Assets.

### **7.3 Limited Liability**

If the Court does not approve this Agreement or vacates, sets aside or varies any order approving this Agreement for any reason whatsoever (except any willful misconduct of the Receiver), then the Receiver will not be liable to the Purchaser or any other person in any way whatsoever, in connection therewith, and the parties shall proceed in accordance with the terms as articulated in Section 2.3 of this Agreement.

## **ARTICLE 8 CONDITIONS TO THE RECEIVER'S CLOSING OBLIGATIONS**

The obligation of the Receiver to perform its obligations under this Agreement and to consummate the transaction contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Receiver in its sole discretion:

### **8.1 Representations and Warranties**

The representations and warranties of the Purchaser contained in Article 4 shall be true, correct and complete in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

## **8.2 Performance**

The Purchaser shall have performed its obligations under this Agreement in all material respects.

# **ARTICLE 9 CLOSING MATTERS**

## **9.1 Closing Procedure**

The parties agree to close the transactions contemplated hereunder, under reasonable solicitor's trust conditions to be negotiated and agreed to consistent with the type of transaction.

## **9.2 The Purchaser's Closing Documents**

Concurrently with delivery of the Purchase Price payable on the Closing Date, and in accordance with trust conditions to be agreed to, the Purchaser's Solicitors shall deliver the following to the Receiver's Solicitors subject to the undertakings to be given by the Receiver's Solicitors:

- (a) An executed GST declaration and indemnity or GST as applicable;
- (b) a certified copy of resolution of the Purchaser authorizing the purchase of the Purchased Assets as contemplated by this Agreement and the execution and delivery of this Agreement and all other documents required to be executed by the Purchaser pursuant hereto; and
- (c) such other documents as may be requested by the Receiver or Receiver' Solicitor, acting reasonably to give effect to the transactions contemplated hereunder.

## **9.3 Receiver's Closing Documents**

In accordance with trust conditions to be agreed to and upon receipt of the Purchase Price the Receiver's Solicitor will deliver to the Purchaser's Solicitor on the Closing Date, and in accordance with its undertakings:

- (a) a Vesting Order issued by the Court directing the registrar of the Land Titles Registry for Saskatchewan to issue title to the Lands in the name of the Purchaser and the Receivers Certificate confirming closing; and
- (b) such documents, passwords, necessary or desirable in the Receiver's opinion, acting reasonably, provided that the Purchaser shall remain liable under this Agreement, notwithstanding any assignments made by the

Purchaser of the Purchased Assets to any third parties, to affect the assignment, transfer and sale of the Purchased Assets to the Purchaser, to the extent not effected by the Vesting Order, in form and substance satisfactory to the Purchaser, acting reasonably.

## ARTICLE 10 ADDITIONAL AGREEMENTS

### 10.1 Disclosure of Information

Without limiting the generality of Section 10.1, the Purchaser acknowledges and agrees that in the course of the Purchaser's due diligence in respect of the Purchased Assets, the Purchaser may request and the Receiver may disclose certain personnel records and other information related to the Purchased Assets or the Company that may include "personal information" (the "**Personal Information**") as defined in and subject to the *Personal Information Protection and Electronic Documents Act* ("**PIPEDA**"). For the purposes of Sections 7-7.4 of PIPEDA:

- (a) the Purchaser hereby confirms to the Receiver that the Personal Information that the Purchaser may hereafter request in the course of its due diligence is necessary in order for the Purchaser to determine whether to proceed with the proposed purchase of the Purchased Assets; and
- (b) the Purchaser hereby covenants and agrees that:
  - (i) prior to Closing, any Personal Information that the Receiver discloses to the Purchaser shall be used by the Purchaser solely for purposes related to its due diligence and its proposed purchase of the Purchased Assets, and the Purchaser shall not disclose or otherwise make available any of the Personal Information to any Person except employees, directors, officers and professional advisors of the Purchaser with a need to know for the purposes of such due diligence and proposed purchase;
  - (ii) if the proposed purchase of the Purchased Assets does not proceed or is not completed, the Purchaser will destroy or return to the Receiver all of the Personal Information disclosed to the Purchaser by the Receiver in accordance with the Receiver's instructions and/or pursuant to the Non-Disclosure Agreement; and
  - (iii) if the proposed purchase of the Purchased Assets is completed:
    - A. the Purchaser shall only use or disclose the Personal Information for the same purposes for which it was collected, used or disclosed by the Receiver, or as otherwise permitted by and in accordance with PIPEDA; and
    - B. the Purchaser shall notify the individuals who are the subject of the Personal Information that the purchase of the Purchased



Assets has taken place and that their Personal Information was disclosed to the Receiver.

## **ARTICLE 11 DEFAULT OF THE PURCHASER**

### **11.1 Failure to Fulfill Obligations**

The Purchaser shall indemnify the Receiver, in its capacity as receiver for the Company for any damage incurred by the Receiver now or in the future as a result of any such default by the Purchaser or failure to comply with or fulfil any one of its obligations herein, without prejudice to any other right or recourse of the Receiver.

### **11.2 Failure to Deliver Payment on Closing Date**

If the balance of the Purchase Price is not paid on or before Closing Date, and the Receiver agrees to accept late payment, the Purchaser agrees to pay to the Receiver interest at the rate of four percent (4%) per annum, on any portion of the Purchase Price not received by the Receiver or the Receiver's Solicitor as at the Closing Date, the interest to be calculated from the Closing Date, until the entire Purchase Price is received by the Receiver or the Receiver's Solicitor, for free release, up to a maximum of thirty (30) days from the Closing Date and, thereafter, at the sole discretion of the Receiver this Agreement may become null and void and all amounts paid and delivered to the Receiver, the Receiver's Solicitor or Grasswood are forfeited to the Receiver.

## **ARTICLE 12 INDEMNIFICATION**

### **12.1 Survival of Representations and Warranties**

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party, continue in full force and effect for a period of twenty-four (24) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law and in respect of any claims against the Receiver, subject to leave of the Court. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

### **12.2 Purchaser's Indemnification of the Receiver**

In addition to the indemnity contained in Section 5.2(d), the Purchaser shall indemnify, defend and hold harmless the Receiver and its officers, directors, employees, agents and

shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Purchased Assets.

## **ARTICLE 13 TERMINATION**

### **13.1 Termination**

This Agreement may be terminated and the transaction contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Purchaser and the Receiver;
- (b) by the Purchaser or the Receiver if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken any other action specifically restraining, enjoining or otherwise prohibiting the transaction contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date, in which case, Section 2.5 shall apply;
- (c) by the Purchaser or the Receiver if, on or before the Closing Date, a material part of the Purchased Assets has been removed from the control of the Receiver by any means or process, or the Purchased Assets, or any part thereof, are redeemed; and
- (d) by the Purchaser or the Receiver if the conditions contained in Article 8 and Article 9, respectively, are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

### **13.2 Effect of Termination**

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 13.1, the provisions of Article 10 and Article 11 of this Agreement shall survive, and the provisions of Section 2.5 shall apply with respect to the Deposit. Nothing in this Article 13 shall relieve any party to this Agreement of liability for breach of this Agreement.

## **ARTICLE 14 MISCELLANEOUS**

### **14.1 No Personal Liability of the Receiver**

With respect to this Agreement and all matters pertaining to hereto, the Purchaser acknowledges that the Receiver is acting solely in its capacity as court appointed receiver and manager of the Company and as such, its liability as a consequence of this Agreement or anything done by it pursuant hereto shall be in its capacity as receiver only, and it shall have no personal liability or corporate liability of any kind, whether in contract or in tort or otherwise.

### **14.2 Risk of Loss**

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Receiver. If, prior to the time of the Closing, all or any material part of the Purchased Assets are Substantially Damaged by fire or any other casualty, the Purchaser shall have the first option to elect to accept from the Receiver, the insurance proceeds as paid out under the Receiver's insurance policy and complete the transaction as otherwise contemplated by this Agreement, without any reduction of the Purchase Price or terminate this Agreement exercisable within 20 Business Days from the date of such Substantial Damage, casualty or expropriation by providing written notice (the "**Destruction Notice**") thereof to the Receiver and, upon such notice being given, this Agreement shall terminate and be of no further force or effect and the Receiver shall return the Deposit to the Purchaser. Where any damage is not substantial, the Purchaser shall be obligated to complete the purchase and shall be entitled to the proceeds of insurance referable to such damage, but not to any other costs or compensation whatsoever.

### **14.3 Notices**

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, (iii) by email, or (iv) sent by recognized overnight courier.

If to the Purchaser:

CANDEA LEASING LTD

c/o McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Bruce Harrison  
Facsimile No.: (306) 653-2669  
Email: b.harrison@mckercher.ca

With a copy to:

McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Bruce Harrison  
Facsimile No.: (306) 653-2669  
Email: b.harrison@mckercher.ca

If to the Receiver:

MNP LTD.  
2010 11th Ave Suite  
900, Regina, SK  
S4P 0J3

Attention: Ian Schofield  
Facsimile No.:

Email: lan.schofield@mnp.ca

With a copy to:

Kanuka Thuringer LLP  
1400 – 2500  
Victoria Avenue  
Regina, SK  
S4P 3X2

Attention: Warren Sproule  
Email: wsproule@kanuka.ca

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 14.3, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if by email, at the time that the email is sent to the receiving party, or (iv) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

#### **14.4 Entire Agreement**

This Agreement together with any Exhibits and Schedules hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, contemporaneous agreements, negotiations, discussions and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

#### **14.5 Modifications and Amendments**

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court.

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.

#### **14.6 Waivers and Consents**

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy

hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

#### **14.7 Assignment**

Subject to this Section, no party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

#### **14.8 Parties in Interest**

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

#### **14.9 Governing Law**

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of Saskatchewan and the federal laws of Canada applicable therein.

#### **14.10 Waiver of Certain Acts**

The parties agree that if the Purchaser is a corporation:

- (a) That *The Land Contracts (Actions) Act*, 2018 of the Province of Saskatchewan shall have no application to any action as defined in *The Land Contracts (Actions) Act* aforesaid, with respect to this Agreement; and
- (b) That *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement.

#### **14.11 Interpretation**

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be

construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

#### **14.12 Headings and Captions**

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

#### **14.13 Preamble**

The Preamble forms part of this Agreement.

#### **14.14 Enforcement**

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

#### **14.15 Expenses**

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transaction contemplated hereby whether or not the transaction contemplated hereby are consummated.

#### **14.16 Publicity**

The Purchaser shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transaction contemplated by, this Agreement without the prior written consent of the Receiver, such consent not to be unreasonably withheld.

#### **14.17 Counterparts**

This Agreement may be executed in counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile or other electronic means of transmission.

*[the remainder of this page is intentionally left blank. Signatures to follow]*

**IN WITNESS WHEREOF**, the Purchaser and the Receiver have executed this Agreement as of the day and year first written above.

**MNP LTD.**

In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")

Per: 

\_\_\_\_\_  
Name: Ian Schofield  
Title: Senior Vice President

**CANDEA LEASING LTD.**

Per: \_\_\_\_\_

Name: Brent Scott  
Title: President

IN WITNESS WHEREOF, the Purchaser and the Receiver have executed this Agreement as of the day and year first written above.

**MNP LTD.**

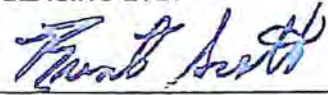
In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd  
(Formerly "Korf Properties Ltd.")

Per: \_\_\_\_\_

Name: Ian Schofield  
Title: Senior Vice President

**CANDEA LEASING LTD.**

Per: \_\_\_\_\_

  
Name: Brent Scott  
Title: President



**SCHEDULE A**  
**Purchased Assets**

**Lands**

77-79 Devonian Street Estevan, Saskatchewan

Surface Parcel No. 10741597, 107415895

Reference land description: Lot 6-7, Blk/Par 4, Plan 59A01748, Ext 0.

353 Imperial Avenue Estevan, Saskatchewan

Surface Parcel no; 164779161 reference land description Lot 27 Blk/Par 4, Plan 102019788

Surface Parcel Nos; 107416571, 107416526, 107399100 and 107416559 Reference land description: Lot 24, 23, 20, 19, Blk/Par 4, 98SE09285 Ext 0

**SCHEDULE B  
REGISTERED PERMITTED ENCUMBRANCES**

<b>SURFACE PARCEL NUMBER</b>	<b>REFERENCE LAND DESCRIPTION</b>	<b>HOLDER</b>	<b>TYPE</b>	<b>INTEREST #</b>	<b>INTEREST REGISTER NUMBER</b>
107415907	Lot 6 Blk/Par 4 Plan 59A01748 Extension 0	N/A			
107415895	Lot 7 Blk/Par 4 Plan 59A01748 Extension 0	N/A			

<b>SURFACE PARCEL NUMBER</b>	<b>REFERENCE LAND DESCRIPTION</b>	<b>HOLDER</b>	<b>TYPE</b>	<b>INTEREST #</b>	<b>INTEREST REGISTER NUMBER</b>
164779161	Lot 27 Blk/Par 4 Plan 102019788 Ext 0	Saskatchewan Power Corporation	CNV Caveat	154220576	103661423 (Converted Instrument No 97R40990)
164779161	Lot 27 Blk/Par 4 Plan 102019788 Ext 0	The City of Estevan	CNV Caveat	154220587	103661434 (Converted Instrument No. 98SE09286)
164779161	Lot 27 Blk/Par 4 Plan 102019788 Ext 0	The City of Estevan	CNV Caveat	154220600	103661546 (Converted Instrument No. 98SE09286)
107416571	Lot 24 Blk/Par 4 Plan 98SE09285 Ext 0	The City of Estevan	CNV Caveat	149797041	103661434 (Converted Instrument No. 98SE09286)
107416526	Lot 23 Blk/Par 4 Plan 98SE09285 Ext 0	The City of Estevan	CNV Caveat	149796938	103661434 (Converted Instrument No. 98SE09286)

107399100	Lot 20 Blk/Par 4 Plan 98SE09285 Ext 0	The City of Estevan	CNV Caveat	149795645	103661434 (Converted Instrument No. 98SE09286)
107416559	Lo19 Blk/Par 4 Plan 98SE09285 Ext 0	The City of Estevan	CNV Caveat	149795601	103661434 (Converted Instrument No. 98SE09286)

Appendix III

**Asset Purchase Agreement for 77-79 Devonian  
Street and 353 Imperial Avenue**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement") is executed and effective as of July 1, 2021

BETWEEN:

CANDEA LEASING LTD.  
(the "Purchaser")

OF THE FIRST PART

- and -

MNP LTD.  
In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")  
(the "Receiver")

OF THE SECOND PART

WHEREAS:

- A. An Order of the Saskatchewan Court of Queen's Bench granted March 17, 2020 (the "Order"), pursuant to s. 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, appointed the Receiver as receiver of 101118672 Saskatchewan Ltd. (formerly known as "Korf Properties Ltd.") (the "Company"), with respect to all of the Company's current buildings and lands located at 77-79 Devonian Street and 353 Imperial Avenue, Estevan Saskatchewan, including proceeds thereof.
- B. Pursuant to the terms and conditions as set out in the Auction Bid Summary Proposals dated June 11, 2021 (the "Auction Bid Summary Proposal"), the Receiver wishes to sell to the Purchaser and the Purchaser desires to purchase from the Receiver the Purchased Assets (as defined herein).

**NOW THEREFORE**, in consideration of the premises and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE 1 INTERPRETATION AND DEFINITIONS

#### 1.1 Definitions

As used in this Agreement, the following terms shall have the following meanings and grammatical variations of such terms shall have corresponding meanings:

- (a) "Affiliate" shall have the meaning ascribed thereto in *The Business Corporations Act* (Saskatchewan).

- (b) **"Agreement"** means this asset purchase agreement including all exhibits and schedules and all amendments or restatements, as permitted.
- (c) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in Regina, Saskatchewan on which Canadian chartered banks are open for commercial banking business during normal banking hours.
- (d) **"Buildings"** means all buildings, improvements and equipment affixed to the Lands including cranes and air compressors, which are fixtures situated on the Lands.
- (e) **"Closing"** means the closing of the transaction contemplated by this Agreement.
- (f) **"Closing Date"** has the meaning specified in Section 2.8.
- (g) **"Closing Documents"** means the documents referred to in Sections 9.2 and 9.3 hereof.
- (h) **"Conditions Precedent"** means the conditions precedent specified in Section 2.2.
- (i) **"Court"** means the Court of Queen's Bench of Saskatchewan.
- (j) **"Deposit"** means the deposit paid pursuant to Section 2.4 (a).
- (k) **"Environmental Legislation"** means any federal, provincial or other jurisdictional legislation and regulations as enacted and amended from time to time, statute, or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *The Environmental Management and Protection Act, 2010* (Saskatchewan), the *Canadian Environmental Protection Act*, *The Management and Reduction of Greenhouse Gases Act* (Saskatchewan) and *The Dangerous Goods Transportation Act* (Saskatchewan), or any regulations under such legislation.
- (l) **"Governmental Authority"** means any Canadian federal, provincial, municipal or local or governmental, regulatory or administrative authority, agency or commission or any court, tribunal, or judicial or arbitral body or any other public agency.
- (m) **"Lands"** means the real property located at:  
  
126-130 Perkins Street Estevan, Saskatchewan and legally described as Surface Parcel No. 162105982, Reference land description; Lot 18, Blk/Par 2, Plan 101909033, Ext 0.
- (n) **"Law"** means any Canadian federal, provincial, municipal or local, act, statute, ordinance, regulation, rule, code, order, decree, judgment, policy, other requirement or rule of law, including the common law and its principles.

- (o) **"Permitted Encumbrances"** means each of:
- (i) the registered Encumbrances listed in Schedule B;
  - (ii) any subsisting reservations or exceptions, including royalties, contained in the original grant of the Lands from the Crown;
  - (iii) any encumbrances based on the interest of the Purchaser;
  - (iv) any public highway or right-of-way or other public easement, however created, on, over or in respect of the Lands;
  - (v) any right of expropriation that may by statute be vested in any person or corporation or Her Majesty;
  - (vi) any implied encumbrances under *The Land Titles Act, 2000* (Saskatchewan) and
  - (vii) any right-of-way or other easement granted or acquired under any act or law in force in Saskatchewan.
- (p) **"Person"** means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity.
- (q) **"Purchased Assets"** means collectively the Lands and Buildings.
- (r) **"Purchase Price"** has the meaning specified in Section 2.4.
- (s) **"Purchaser's Solicitors"** means the firm McKercher LLP 374 3rd Ave S, Saskatoon, Saskatchewan, S7K 1M5; Attention: Bruce Harrison.
- (t) **"Receiver's Solicitors"** means the firm Kanuka Thuringer LLP, Barristers and Solicitors, 1400-2500 Victoria Avenue, Regina, Saskatchewan, S4P 3X2, Attention: Warren Sproule Q.C.
- (u) **"Substantial Damage"** means any damage that occurs to the Purchased Assets prior to the Closing Date which exceeds One Hundred Thousand Dollars (\$100,000.00) in insured value.
- (v) **"Tax"** means any and all transfer taxes, goods and services taxes, value added taxes or license, registration and documentation fees and similar charges, but does not include:
- (i) income or disposition tax levied on the Receiver or the Company arising by reason of the sale of the Purchased Assets; or
  - (ii) Municipal real property taxes.
- (w) **"Vesting Order"** means an order approving the sale of the Lands and Buildings to the Purchaser to be granted by the Court and vesting in the name of the Purchaser, upon payment of the Purchase Price registered title to the Lands and Buildings, free and clear of all encumbrances, liens and charges,

other than the Permitted Encumbrances, and otherwise in a form reasonably acceptable to the Receiver.

## **1.2 Interpretation**

In this Agreement:

- (a) Consent - Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.
- (b) Currency – Unless otherwise specified all references to money amounts are to lawful currency of Canada.
- (c) Number and Gender – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (d) Statutory References – A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (e) Time - Time is of the essence in the performance of the parties' respective obligations.
- (f) Time Periods - Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

## **1.3 List of Schedules**

The following Schedules are incorporated in and form an integral part of this Agreement:

Schedule A	-	Purchased Assets
Schedule B	-	Permitted Encumbrances

(Collectively the "**Schedules**")

## **ARTICLE 2 PURCHASE AND SALE OF ASSETS**

### **2.1 The Purchased Assets**

Subject to the terms and conditions of this Agreement, on the Closing Date the Receiver hereby agrees to sell, assign and transfer to the Purchaser all of the rights, title and interest of the Company, in and to the Purchased Assets, which includes registered title under *The*



*Land Titles Act, 2000 (Saskatchewan)* to the Lands and Buildings, with such title to vest free and clear of all encumbrances, other than the Permitted Encumbrances, and the Purchaser hereby agrees to purchase such Purchased Assets from the Receiver on the Closing Date, for the Purchase Price.

The Purchaser agrees to accept such title to the Purchased Assets, subject to the Permitted Encumbrances including without limitation, building and zoning by-laws, minor easements for hydro, telephone and like services and to restrictions and covenants that run with the Lands, and the Purchaser shall assume responsibility from and after the Closing Date for compliance therewith.

The parties hereto acknowledge and agree that the Receiver shall deliver the Purchased Assets to the Purchaser effective on the Closing Date by delivering possession of any and all Lands and Buildings forming part of the Purchased Assets and by permitting the Purchaser to take possession of the remainder of the Purchased Assets. The Receiver shall not be required to consolidate such assets in any one location.

## **2.2 Conditions Precedent**

The Receiver and Purchaser agree and acknowledge that this Agreement is subject to:

- (a) the Court granting a Vesting Order on or before July 12, 2021; and
- (b) the Vesting Order not having been stayed, reversed, or dismissed on or prior to the time of closing on the Closing Date. For greater certainty, expiration of the appeal period for the Vesting Order shall not be a pre-condition of the Purchaser's or Receiver's obligation to complete the within transaction.

(hereafter collectively referred to as the "Conditions Precedent")

## **2.3 Effect of Failure of Conditions Precedent**

The parties acknowledge and agree that the Conditions Precedent set out in Sections 2.2(a) and 2.2(b) are for the benefit of both the Purchaser and the Receiver and may only be satisfied or waived by both the Purchaser and the Receiver.

In the event any of the Conditions Precedent are not satisfied or waived within the applicable times, by the applicable party, the parties hereto shall have no further obligations to each other pursuant to this Agreement. If the parties do not agree to a revised agreement of sale, any amounts deposited by the Purchaser pursuant to Section 2.4 below, shall be returned to the Purchaser pursuant to Section 2.5.

## **2.4 Purchase Price**

The aggregate purchase price payable by the Purchaser to the Receiver in consideration of the sale of the Purchased Assets, which includes the Deposit, shall be One Hundred Seventy Three Thousand Dollars (\$173,000.00) (the "Purchase Price") exclusive of Taxes, subject only to the closing adjustments contemplated hereunder. The Purchase Price will be satisfied by the Purchaser as follows:

- (a) the amount of Seventeen Thousand Three Hundred (\$17,300.00) Dollars, as previously provided as a deposit (the "Deposit") and held in trust by Grasswood Auctions ("Grasswood" and which shall be dealt with in accordance with Section 2.5 of this Agreement;
- (b) as to the balance of the Purchase Price, subject to adjustments as herein provided, by payment on or before the Closing Date by wire transfer, money order, certified cheque, bank draft or solicitor's trust cheque to the Receiver's solicitor under trust conditions as described herein;

The Purchase Price does not include Taxes. All Taxes payable in connection with the purchase and sale of the Purchased Assets shall be the responsibility of the Purchaser and shall be paid as and when required by Law in order to permit the consummation of the purchase and sale of the Purchased Assets as contemplated herein. The Purchaser shall remain liable for all Taxes which liability and obligation will survive any formal closing and transfer of title to the Purchaser.

**2.5 Deposit**

The Deposit which has been provided by the Purchaser to Grasswood as part of the Auction Bid Summary Proposal process, and held in trust with Grasswood, shall be dealt with as follows:

- (a) in the event the Closing occurs on or before the Closing Date, applied without interest toward the Purchase Price;
- (b) forfeited in its entirety to the Receiver as liquidated damages in the event that after the Conditions Precedent have been satisfied, the Closing does not occur on or before the Closing Date by reason of the Purchaser's breach of its obligations hereunder, without prejudice to the Receiver's rights and recourses against the Purchaser to seek additional damages or other remedies; or
- (c) in the event that any of the Conditions Precedent have not been satisfied or waived by the dates specified, the Deposit shall be returned, without interest, to the Purchaser.

**2.6 Allocation of Purchase Price**

The Purchase Price allocation shall be as follows:

126-130 Perkins Street, Estevan, Saskatchewan

Lands:	\$ 100,000.00
Buildings:	\$ 73,000
Total:	\$ 173,000.00

## **2.7 Adjustment to the Purchase Price**

The Purchaser and Receiver agree to each prepare and file on a timely basis all applicable tax forms consistent with the above-noted allocation.

Customary adjustments to the Purchase Price shall be made as of the Closing Date such as property taxes, utilities, rents payable (and deposits as and where applicable), and adjustments for prepaid revenues and expenses.

The Receiver represents and warrants that the Purchaser will not be liable for any property tax arrears or amounts payable in respect of the Property for the 2021 tax year preceding the Closing Date. The parties will adjust the Purchase Price as of the Closing Date to account for all property taxes owing, regardless of any encumbrance registered against the Lands.

## **2.8 Closing**

Upon the terms and subject to the conditions of this Agreement, the sale, transfer, conveyance and assignment of the Purchased Assets as contemplated by this Agreement shall take place on the 5<sup>th</sup> Business Day after the issuance of the Vesting Order (the “Closing Date”), and shall be completed under solicitor’s trust conditions, consistent with Article 9, to be agreed to between the Receiver’s Solicitors and the Purchaser’s Solicitors both acting reasonably.

## **2.9 GST**

Where the Purchaser is a GST registrant and shall self-assess GST with respect to the purchase and sale of the Purchased Assets and remit such amount to Canada Revenue Agency within thirty (30) days of the Closing Date, and thereafter provide confirmation of such payment to the Receiver. The Purchaser’s GST number is 853300770. Upon Closing, the Purchaser agrees to provide to the Receiver an executed GST Declaration and Indemnity.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE RECEIVER**

The Receiver hereby represents to the Purchaser as follows:

### **3.1 Appointment as Receiver**

As of the date of executing this Agreement, the Receiver is the Court appointed Receiver for the Company under and pursuant to the Order, which Order is in full force and effect.

### **3.2 Resident of Canada**

At the Closing Date, the Receiver is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

### **3.3 No Other Agreement to Sell Purchased Assets**

Except for, and as of the date of, this Agreement the Receiver has not entered into any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase from the Receiver of any of the Purchased Assets and the Receiver is not aware of any claims against the Company in respect of the Purchased Assets that would not be expunged by the Vesting Order.

### **3.4 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Receiver on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Receiver, subject to any direction of the Court.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF PURCHASER**

The Purchaser represents and warrants to the Receiver as follows:

### **4.1 Organization**

The Purchaser is and will be as of the Closing Date duly incorporated or registered, validly subsisting and in good standing under the laws of its jurisdiction of registration, and is, and will be on or before the Closing Date, duly qualified to do business in the province of Saskatchewan.

### **4.2 Authorization**

The Purchaser has the corporate power and authority to execute and enter into this Agreement and the other documents and instruments contemplated herein or therein to which it is or will be a party and to perform its obligations hereunder and thereunder. The execution, delivery and performance of this Agreement and the documents contemplated hereby and the consummation of the transaction contemplated hereby have been duly authorized and approved by the Purchaser. No approval or consent of any regulatory authority is required for the Purchaser to enter into this Agreement or to complete the purchase and sale contemplated herein.

### **4.3 Execution and Delivery**

This Agreement, and each of the other agreements, documents and instruments to be executed and delivered by the Purchaser on or before the Closing, have been or will be duly executed and delivered by, and constitute the valid and binding obligations of the Purchaser.

### **4.4 Validity, Etc.**

Neither the execution and delivery of this Agreement by the Purchaser and the other documents and instruments contemplated hereby, the consummation of the transaction contemplated hereby or thereby, nor the performance of this Agreement and such other agreements in compliance with the terms and conditions hereof and thereof will:

- (a) conflict with or result in any breach of the articles or by-laws of the Purchaser, or resolution of shareholders or directors or any Law applicable to the Purchaser;
- (b) require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority;
- (c) result in a breach of or default (or give rise to any right of termination, cancellation or acceleration) under any Law, governmental permit, license or order or any of the terms, conditions or provisions of any mortgage, indenture, note, license, agreement or other instrument to which the Purchaser is a party; or
- (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Purchaser.

#### **4.5 Caveats by the Purchaser**

The Purchaser warrants that it will not, under any circumstances whatsoever, register a caveat, encumbrance, charge or otherwise, pursuant to this Agreement or any other interest or agreement, to any of the Purchased Assets prior to the Closing Date.

#### **4.6 Resident**

As at the Closing Date, the Purchaser is not a non-Canadian for purposes of the *Investment Canada Act*.

### **ARTICLE 5 ACKNOWLEDGEMENTS BY PURCHASER**

#### **5.1 "As Is, Where Is"**

The Purchaser acknowledges that the Purchased Assets are purchased on an "as is, where is" basis and without any representation or warranty of any kind except as expressly provided herein, and that the Receiver has not, and is not required to inspect the Purchased Assets. The Purchaser further acknowledges that it has had an opportunity to conduct and has or will complete its due diligence regarding the Purchased Assets, and will be satisfied as to their quality and condition and will accept the same on the Closing Date in their state, condition, and location existing as of the date of this Agreement, reasonable wear and tear excepted.. For greater certainty the Purchaser acknowledges that the Receiver, the Receiver's Solicitor, the Company, and any of their directors, officers, employees, professional consultants, agents, or advisors make, or has made, no representation, promise, condition, warranty, or guaranty, whether statutory (including under *The Sale of Goods Act* (Saskatchewan) or similar legislation in other jurisdictions applicable hereto and all of the same are hereby waived by the Purchaser), express or implied, oral or written, legal, equitable, conventional, collateral or otherwise in this Agreement or in any instrument furnished in connection with this Agreement as to title, outstanding liens, description, fitness for purpose, merchantability, acreage or workable acreage, condition, quality, value, suitability, durability, compliance or non-compliance with environmental rules, regulations or legislative provisions, zoning, or site plan requirements or marketability thereof or in respect of any other matter or thing

whatsoever including, without limitation, the rights, title, and interests of the Company, if any, therein and wherever all or part of the Purchased Assets are situated. The Purchaser shall be deemed to have relied entirely on its own independent review, inspection, and investigation in proceeding with the transaction contemplated hereunder, and acknowledges that the Receiver has made no representations as to the accuracy and completeness of the Schedules, and as such the Purchaser shall have no recourse as against the Receiver, the Company, and any of their directors, officers, employees, professional consultants, agents, advisors, or the Receiver's Solicitor, in Law or equity for any deficiency, perceived or otherwise, with respect to the Purchased Assets pursuant to this Agreement.

## **5.2 Environmental Condition**

Without limiting the generality of Section 5.1, the Purchaser:

- (a) acknowledges that the Receiver makes no representations or warranties, whatsoever, as to the existence or non-existence of urea formaldehyde insulation, asbestos, PCBs, radium, radon or radon progeny, or any other substances, liquids or materials, whether hazardous or toxic or not, which are or which may constitute on their own or together in combination with any other substance, contaminants or pollutants of any environment, including the natural environment;
- (b) acknowledges that it has inspected the Purchased Assets for the presence of any contaminants, hazardous substances or materials, toxins, pollutants or other environmental issues which may affect in any way the Purchased Assets;
- (c) acknowledges that the Receiver makes no representation regarding the compliance of the Purchased Assets with any Environmental Legislation, whether federal, provincial or municipal or with respect to any rule, regulation, covenant or agreement whether statutory or non-statutory.

Without limitation to any other provision of this Agreement, the provision of this Section 5.2 shall not merge on, but shall survive, the Closing.

## **ARTICLE 6 COVENANTS OR APPROVALS**

### **6.1 Consents**

Notwithstanding any other provision of this Agreement, subject to and except for the Vesting Order, the Purchaser acknowledges and agrees that, to the extent that any of the Purchased Assets may be subject to terms of any lease, license or consent of any third party, the Receiver shall have no obligation to obtain any consent or approval or make any arrangement or payment which may be required for the assignment of any contract, lease or other agreement respecting any of the Purchased Assets including, without restriction, the obtaining of any authorization, approval or consent of any Governmental Authority and that it shall be the sole responsibility of the Purchaser, at the Purchaser's sole expense, to obtain any necessary consents or approvals and to make any necessary arrangement or payments in relation thereto. The obtaining of such consents or approvals shall not, in any manner, be a pre-condition to the completion of or effect or limit the Purchaser's obligations to complete

the within transaction provided that the Receiver shall, where necessary and provided the Receiver shall not have any obligation to provide any payment or other consideration to any party in this regard, cooperate with the Purchaser in a commercially reasonable manner to assist the Purchaser in obtaining any such consents or approvals. The Purchaser agrees to assume the obligations under and hold the Receiver harmless in respect of any lease, license or other agreement in respect of the Purchased Assets to the complete exoneration and satisfaction of the Receiver.

## **ARTICLE 7 COVENANTS**

### **7.1 Vesting Order**

The Receiver shall, as soon as commercially reasonable, apply for a Vesting Order and the parties hereto agree that they will work together, and execute any and all documents necessary to apply for and obtain the Vesting Order from the Court with respect to this Agreement.

### **7.2 Limited Obligations of the Receiver**

The Purchaser acknowledges and agrees that the Receiver's obligations in connection with this Agreement, until it is approved by the Court, are limited to seeking the Vesting Order. Thereafter, the Receiver is subject to the jurisdiction and discretion of the Court respecting any order or orders the Court may make regarding the Purchased Assets.

### **7.3 Limited Liability**

If the Court does not approve this Agreement or vacates, sets aside or varies any order approving this Agreement for any reason whatsoever (except any willful misconduct of the Receiver), then the Receiver will not be liable to the Purchaser or any other person in any way whatsoever, in connection therewith, and the parties shall proceed in accordance with the terms as articulated in Section 2.3 of this Agreement.

## **ARTICLE 8 CONDITIONS TO THE RECEIVER'S CLOSING OBLIGATIONS**

The obligation of the Receiver to perform its obligations under this Agreement and to consummate the transaction contemplated hereby is subject to the satisfaction, on or before the Closing Date, of the following conditions, each of which may be waived by the Receiver in its sole discretion:

### **8.1 Representations and Warranties**

The representations and warranties of the Purchaser contained in Article 4 shall be true, correct and complete in all material respects at the time of the Closing with the same force and effect as if such representations and warranties were made at and as of such time.

### **8.2 Performance**

The Purchaser shall have performed its obligations under this Agreement in all material respects.

## **ARTICLE 9 CLOSING MATTERS**

### **9.1 Closing Procedure**

The parties agree to close the transactions contemplated hereunder, under reasonable solicitor's trust conditions to be negotiated and agreed to consistent with the type of transaction.

### **9.2 The Purchaser's Closing Documents**

Concurrently with delivery of the Purchase Price payable on the Closing Date, and in accordance with trust conditions to be agreed to, the Purchaser's Solicitors shall deliver the following to the Receiver's Solicitors subject to the undertakings to be given by the Receiver's Solicitors:

- (a) An executed GST declaration and indemnity or GST as applicable;
- (b) a certified copy of resolution of the Purchaser authorizing the purchase of the Purchased Assets as contemplated by this Agreement and the execution and delivery of this Agreement and all other documents required to be executed by the Purchaser pursuant hereto; and
- (c) such other documents as may be requested by the Receiver or Receiver' Solicitor, acting reasonably to give effect to the transactions contemplated hereunder.

### **9.3 Receiver's Closing Documents**

In accordance with trust conditions to be agreed to and upon receipt of the Purchase Price the Receiver's Solicitor will deliver to the Purchaser's Solicitor on the Closing Date, and in accordance with its undertakings:

- (a) a Vesting Order issued by the Court directing the registrar of the Land Titles Registry for Saskatchewan to issue title to the Lands in the name of the Purchaser and the Receivers Certificate confirming closing; and
- (b) such documents, passwords, necessary or desirable in the Receiver's opinion, acting reasonably, provided that the Purchaser shall remain liable under this Agreement, notwithstanding any assignments made by the Purchaser of the Purchased Assets to any third parties, to affect the assignment, transfer and sale of the Purchased Assets to the Purchaser, to the extent not effected by the Vesting Order, in form and substance satisfactory to the Purchaser, acting reasonably.



**ARTICLE 10  
ADDITIONAL AGREEMENTS**

**10.1 Disclosure of Information**

Without limiting the generality of Section 10.1, the Purchaser acknowledges and agrees that in the course of the Purchaser's due diligence in respect of the Purchased Assets, the Purchaser may request and the Receiver may disclose certain personnel records and other information related to the Purchased Assets or the Company that may include "personal information" (the "**Personal Information**") as defined in and subject to the *Personal Information Protection and Electronic Documents Act* ("**PIPEDA**"). For the purposes of Sections 7-7.4 of PIPEDA:

- (a) the Purchaser hereby confirms to the Receiver that the Personal Information that the Purchaser may hereafter request in the course of its due diligence is necessary in order for the Purchaser to determine whether to proceed with the proposed purchase of the Purchased Assets; and
- (b) the Purchaser hereby covenants and agrees that:
  - (i) prior to Closing, any Personal Information that the Receiver discloses to the Purchaser shall be used by the Purchaser solely for purposes related to its due diligence and its proposed purchase of the Purchased Assets, and the Purchaser shall not disclose or otherwise make available any of the Personal Information to any Person except employees, directors, officers and professional advisors of the Purchaser with a need to know for the purposes of such due diligence and proposed purchase;
  - (ii) if the proposed purchase of the Purchased Assets does not proceed or is not completed, the Purchaser will destroy or return to the Receiver all of the Personal Information disclosed to the Purchaser by the Receiver in accordance with the Receiver's instructions and/or pursuant to the Non-Disclosure Agreement; and
  - (iii) if the proposed purchase of the Purchased Assets is completed:
    - A. the Purchaser shall only use or disclose the Personal Information for the same purposes for which it was collected, used or disclosed by the Receiver, or as otherwise permitted by and in accordance with PIPEDA; and
    - B. the Purchaser shall notify the individuals who are the subject of the Personal Information that the purchase of the Purchased Assets has taken place and that their Personal Information was disclosed to the Receiver.

**ARTICLE 11  
DEFAULT OF THE PURCHASER**

**11.1 Failure to Fulfill Obligations**

The Purchaser shall indemnify the Receiver, in its capacity as receiver for the Company for any damage incurred by the Receiver now or in the future as a result of any such default by the Purchaser or failure to comply with or fulfil any one of its obligations herein, without prejudice to any other right or recourse of the Receiver.

#### **11.2 Failure to Deliver Payment on Closing Date**

If the balance of the Purchase Price is not paid on or before Closing Date, and the Receiver agrees to accept late payment, the Purchaser agrees to pay to the Receiver interest at the rate of four percent (4%) per annum, on any portion of the Purchase Price not received by the Receiver or the Receiver's Solicitor as at the Closing Date, the interest to be calculated from the Closing Date, until the entire Purchase Price is received by the Receiver or the Receiver's Solicitor, for free release, up to a maximum of thirty (30) days from the Closing Date and, thereafter, at the sole discretion of the Receiver this Agreement may become null and void and all amounts paid and delivered to the Receiver, the Receiver's Solicitor or Grasswood are forfeited to the Receiver.

### **ARTICLE 12 INDEMNIFICATION**

#### **12.1 Survival of Representations and Warranties**

All representations and warranties in Article 3 and Article 4, as given at the date hereof and restated at the Closing as provided for in Section 8.1, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, shall survive the closing of the transaction contemplated herein and, notwithstanding any investigation at any time made by or on behalf of any party, continue in full force and effect for a period of twenty-four (24) months from the Closing, provided that a claim for any breach of the representations and warranties contained in this Agreement, or in any instrument or document furnished in connection with this Agreement or the transaction contemplated hereby, that involves fraud or fraudulent misrepresentation may be made at any time following the Closing, subject only to applicable limitation periods imposed by Law and in respect of any claims against the Receiver, subject to leave of the Court. All covenants and agreements contained herein shall survive until fully performed in accordance with their terms.

#### **12.2 Purchaser's Indemnification of the Receiver**

In addition to the indemnity contained in Section 5.2(d), the Purchaser shall indemnify, defend and hold harmless the Receiver and its officers, directors, employees, agents and shareholders, and their respective successors and assigns from and against all Taxes payable in connection with the purchase and sale of the Purchased Assets.

### **ARTICLE 13 TERMINATION**

#### **13.1 Termination**

This Agreement may be terminated and the transaction contemplated hereby may be abandoned at any time prior to the Closing Date, as the case may be:

- (a) by mutual written consent of the Purchaser and the Receiver;
- (b) by the Purchaser or the Receiver if any court of competent jurisdiction or other Governmental Authority shall have issued an order, decree or ruling, or taken any other action specifically restraining, enjoining or otherwise prohibiting the transaction contemplated hereby, which order, decree, ruling or other action is not stayed or dismissed prior to the Closing Date, in which case, Section 2.5 shall apply;
- (c) by the Purchaser or the Receiver if, on or before the Closing Date, a material part of the Purchased Assets has been removed from the control of the Receiver by any means or process, or the Purchased Assets, or any part thereof, are redeemed; and
- (d) by the Purchaser or the Receiver if the conditions contained in Article 8 and Article 9, respectively, are not satisfied or waived prior to the applicable date for satisfaction of such conditions.

### **13.2 Effect of Termination**

Notwithstanding the termination and abandonment of this Agreement pursuant to Section 13.1, the provisions of Article 10 and Article 11 of this Agreement shall survive, and the provisions of Section 2.5 shall apply with respect to the Deposit. Nothing in this Article 13 shall relieve any party to this Agreement of liability for breach of this Agreement.

## **ARTICLE 14 MISCELLANEOUS**

### **14.1 No Personal Liability of the Receiver**

With respect to this Agreement and all matters pertaining to hereto, the Purchaser acknowledges that the Receiver is acting solely in its capacity as court appointed receiver and manager of the Company and as such, its liability as a consequence of this Agreement or anything done by it pursuant hereto shall be in its capacity as receiver only, and it shall have no personal liability or corporate liability of any kind, whether in contract or in tort or otherwise.

### **14.2 Risk of Loss**

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Receiver. If, prior to the time of the Closing, all or any material part of the Purchased Assets are Substantially Damaged by fire or any other casualty, the Purchaser shall have the first option to elect to accept from the Receiver, the insurance proceeds as paid out under the Receiver's insurance policy and complete the transaction as otherwise contemplated by this Agreement, without any reduction of the Purchase Price or terminate this Agreement exercisable within 20 Business Days from the date of such Substantial Damage, casualty or expropriation by providing written notice (the "**Destruction Notice**") thereof to the Receiver and, upon such notice being given, this Agreement shall terminate and be of no further force

or effect and the Receiver shall return the Deposit to the Purchaser. Where any damage is not substantial, the Purchaser shall be obligated to complete the purchase and shall be entitled to the proceeds of insurance referable to such damage, but not to any other costs or compensation whatsoever.

### **14.3 Notices**

All notices, requests, consents and other communications hereunder shall be in writing, shall be addressed to the receiving party's address set forth below or to such other address as such party may designate by notice hereunder, and shall be either (i) delivered by hand, (ii) made by facsimile transmission, (iii) by email, or (iv) sent by recognized overnight courier.

If to the Purchaser:

CANDEA LEASING LTD

c/o McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Bruce Harrison  
Facsimile No.: (306) 653-2669  
Email: b.harrison@mckercher.ca

With a copy to:

McKercher LLP 374 3rd Ave S  
Saskatoon SK S7K 1M5;

Attention: Bruce Harrison  
Facsimile No.: (306) 653-2669  
Email: b.harrison@mckercher.ca

If to the Receiver:

MNP LTD.  
2010 11th Ave Suite  
900, Regina, SK  
S4P 0J3

Attention: Ian Schofield  
Facsimile No.:  
Email: ian.schofield@mnp.ca

With a copy to:

Kanuka Thuringer LLP  
1400 – 2500  
Victoria Avenue  
Regina, SK  
S4P 3X2

Attention: Warren Sproule  
Email: wsproule@kanuka.ca

All notices, requests, consents and other communications hereunder shall be deemed to have been given (i) if by hand, at the time of the delivery thereof to the receiving party at the address of such party in accordance with this Section 14.3, (ii) if made by facsimile transmission, at the time that receipt thereof has been acknowledged by electronic confirmation or otherwise, (iii) if by email, at the time that the email is sent to the receiving party, or (iv) if sent by overnight courier with guaranteed next day delivery, on the next Business Day following the day such notice is delivered to the courier service.

#### **14.4 Entire Agreement**

This Agreement together with any Exhibits and Schedules hereto embody the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, contemporaneous agreements, negotiations, discussions and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

#### **14.5 Modifications and Amendments**

The terms and provisions of this Agreement may be modified or amended only by written agreement executed by all parties hereto and, where same may be required, by order of the Court.

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties, provided that the time provided for doing any matter or thing contemplated herein may be abridged or extended by written agreement, in letter form or otherwise, executed by the duly authorized solicitors for the parties.

#### **14.6 Waivers and Consents**

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with

respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

#### **14.7 Assignment**

Subject to this Section, no party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party.

#### **14.8 Parties in Interest**

This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their permitted assigns, and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.

#### **14.9 Governing Law**

This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the Laws of Saskatchewan and the federal laws of Canada applicable therein.

#### **14.10 Waiver of Certain Acts**

The parties agree that if the Purchaser is a corporation:

- (a) That *The Land Contracts (Actions) Act*, 2018 of the Province of Saskatchewan shall have no application to any action as defined in *The Land Contracts (Actions) Act* aforesaid, with respect to this Agreement; and
- (b) That *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement.

#### **14.11 Interpretation**

The parties hereto acknowledge and agree that: (i) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (ii) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any party, regardless of which party was generally responsible for the preparation of this Agreement.

#### **14.12 Headings and Captions**

The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify, or affect, or be considered in construing or interpreting the meaning or construction of any of the terms or provisions hereof.

#### **14.13 Preamble**

The Preamble forms part of this Agreement.

#### **14.14 Enforcement**

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at Law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in the Court.

#### **14.15 Expenses**

Each of the parties hereto shall pay its own fees and expenses (including the fees of any lawyers, financial advisors, accountants, appraisers or others engaged by such party) in connection with this Agreement and the transaction contemplated hereby whether or not the transaction contemplated hereby are consummated.

#### **14.16 Publicity**

The Purchaser shall not, at any time, issue any press release or otherwise make any public statement with respect to the execution of, or the transaction contemplated by, this Agreement without the prior written consent of the Receiver, such consent not to be unreasonably withheld.

#### **14.17 Counterparts**

This Agreement may be executed in counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement may be made and evidenced by facsimile or other electronic means of transmission.

*[the remainder of this page is intentionally left blank. Signatures to follow]*

**IN WITNESS WHEREOF**, the Purchaser and the Receiver have executed this Agreement as of the day and year first written above.

**MNP LTD.**

In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")

Per: 

Name: Ian Schofield  
Title: Senior Vice President

**CANDEA LEASING LTD.**

Per: \_\_\_\_\_

Name: Brent Scott  
Title: President



IN WITNESS WHEREOF, the Purchaser and the Receiver have executed this Agreement as of the day and year first written above.

**MNP LTD.**


In its capacity as court-appointed receiver of  
101118672 Saskatchewan Ltd.  
(Formerly "Korf Properties Ltd.")

Per: \_\_\_\_\_

Name: Ian Schofield  
Title: Senior Vice President

**CANDEA LEASING LTD.**

Per: \_\_\_\_\_

  
Name: Brent Scott  
Title: President

**SCHEDULE A  
PURCHASED ASSETS**

**Lands**

126-130 Perkins Street, Estevan, Saskatchewan

Surface Parcel No. 162105982

Reference land description: Lot 18, Blk/Par 2, Plan 101909033 Ext 0

**SCHEDULE B  
REGISTERED PERMITTED ENCUMBRANCES**

<b>SURFACE PARCEL NUMBER</b>	<b>REFERENCE LAND DESCRIPTION</b>	<b>HOLDER</b>	<b>TYPE</b>	<b>INTEREST #</b>	<b>INTEREST REGISTER NUMBER</b>
162105982	Lot 18 Blk/Par 2 Plan 101909033 Extension 0	Saskatchewan Power corporation	Easement	149797197	100895047
		City of Estevan	Public Utility easement	149797164	103760254