

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

BETWEEN:

**BANK OF MONTREAL**

Applicant

- and -

**11603531 CANADA INC.**

Respondent

APPLICATION UNDER SECTION 243(1) of the *BANKRUPTCY AND INSOLVENCY ACT* R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. c-43, AS AMENDED

**APPLICATION RECORD  
(RETURNABLE NOVEMBER 14, 2023)**

September 12, 2023

**MILLER THOMSON LLP**

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**Lawyers for the Applicant,  
Bank of Montreal**

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# TAB 1



Court File No.:

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**NOTICE OF APPLICATION**

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- In person
- By telephone conference
- By video conference

at the following location

before a Judge presiding over the Commercial List via zoom videoconference – particulars to be provide by the Court

on Tuesday, November 14, 2023 at 10:00 a.m., or as soon after that time as the matter can be heard.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the applicant's lawyer or, where

the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

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

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

Date: September 11, 2023

Issued by \_\_\_\_\_  
Local registrar

Address of court office 330 University Avenue  
Toronto, ON M5G 1R8

TO: 11603531 Canada Inc.  
12910 7<sup>th</sup> Concession Road  
King City, ON L7B 1K4

AND TO: THE SERVICE LIST

## APPLICATION

1. The Applicant, Bank of Montreal (“**BMO**”), makes application for an Order substantially in the form attached as Appendix A, including,
  - (a) if necessary, abridging the time for and validating service of this application and dispensing with further service of same;
  - (b) appointing MNP Ltd. (“**MNP**”) as receiver and manager (the “**Receiver**”), without security, of all assets, undertakings and properties of the Respondent, 11603531 Canada Inc. (“**116 Canada**”) acquired for, or used in relation to a business carried on by 116 Canada pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”) and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. c-43, as amended (the “**CJA**”);
  - (c) costs on a solicitor and client basis, plus H.S.T., in accordance with the security granted by 116 Canada to the Applicant; and
  - (d) such further and other relief as counsel may advise and this Honourable Court may permit.
  
2. The grounds for the application are:
  - (a) 116 Canada is the owner of a 5 storey retail/office building located at 55 Dundas Street East, Toronto (the “**Property**”).
  - (b) As of August 31, 2023, 116 Canada was indebted to BMO for \$7,353,195.25, plus accruing interest and costs, (the “**Indebtedness**”) on two loans (the “**Loans**”) made to it by BMO.
  - (c) As security for the Indebtedness, BMO holds security (the “**Security**”) over all of the assets, undertakings and properties of 116 Canada, including a mortgage over the Property.

- (d) Responsibility for the oversight and management of the Loans was transferred to BMO's special accounts management unit in January 2023 after BMO was served with a copy of a *mareva* order issued against 116 Canada and its principals, among others, and notice of a pending tax sale proceeding for the Property.
- (e) The *mareva* order was later lifted, but 116 Canada ceased making the required monthly payments on the Loans and the outstanding taxes on the Property were not paid.
- (f) As at August 16, 2023, there were outstanding taxes, interest and penalties dating back to 2020 totalling \$503,078.45 owing on the Property.
- (g) On April 5, 2023, BMO demanded payment of the Loans and gave notice under s. 244 of the *BIA* of its intention to enforce the Security.
- (h) Following the making of the demand, a Forbearance Agreement was signed under the terms of which BMO agreed to forbear from the enforcement of the Security until the earlier of May 31, 2023 and the occurrence of a forbearance termination event. The May 31, 2023 date was to be extended to June 30, 2023 provided that 116 Canada had by May 31, 2023 obtained a term sheet or offer letter for the refinancing of the Loans.
- (i) In the Forbearance Agreement, 116 Canada acknowledged its liability for the repayment of the Loans and the validity and enforceability of the Security, agreed to fully repay the Loans by the conclusion of the forbearance period, agreed that upon the conclusion of the forbearance period the Bank would be entitled to immediately and without further notice exercise its rights and remedies and enforce the Security, and consented to an Order appointing a receiver and manager receiver and manager.
- (j) The Loans were not repaid in full by May 31, 2023 as required by the Forbearance Agreement. 116 Canada did, however, obtain a discussion paper from a prospective lender for the refinancing of the Loans.



- (k) By a Forbearance Extension Agreement made as of June 30, 2023 the forbearance period was extended to August 31, 2023. In the Forbearance Extension Agreement, 116 Canada acknowledged its liability to BMO for the repayment of the Loans and that but for the extension of the forbearance period BMO was entitled to enforce the Security.
- (l) By August 31, 2023, 116 Canada had not repaid the Loans or obtained a financing commitment which would enable it to do so.
- (m) 116 Canada requested a further final extension of the forbearance period to October 31, 2023 to permit it to continue to pursue refinancing efforts. BMO declined to grant a further extension and advised 116 Canada of its intention to proceed with the enforcement of the Security.
- (n) BMO has lost confidence in 116 Canada, its principals and their ability or willingness to refinance and fully repay the Loans.
- (o) As each day passes, the outstanding taxes on the Property, including penalties and arrears, continues to increase.
- (p) In the Forbearance Agreement 116 Canada consented to the enforcement by BMO of the Security and to the appointment of a receiver and manager by the Court upon the expiry of the forbearance period.
- (q) Default has occurred under the terms of the Security and the Security is enforceable.
- (r) The Security provides for the appointment of a receiver and manager on default.
- (s) The appointment of the Receiver is just and convenient.
- (t) MNP is a licensed trustee in bankruptcy and has consented to being appointed as Receiver by the Court.

- (u) Rules 1.04, 2.03, 3.02, 16.08 and 38 of the *Rules of Civil Procedure*;
- (v) Section 243 of the *BIA* and Section 101 of the *CJA*;
- (w) Rules 6, 11 and 13 of the *Bankruptcy and Insolvency General Rules*; and
- (x) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) the affidavit of Leo Chun sworn September 7, 2023 and the exhibits thereto;
- (b) the Consent of MNP to act as receiver, if so appointed; and
- (c) such further and other evidence as counsel may advise and this Honourable Court may permit.

September 11, 2023

**MILLER THOMSON LLP**

One London Place  
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London, ON Canada N6A 5R8

**Tony Van Klink** LSO#: 29008M

tvanklink@millerthomson.com

Tel: 519.931.3509

Fax: 519.858.8511

**Lawyers for the Applicant,  
Bank of Montreal**

**SERVICE LIST**

**TO: MINISTRY OF FINANCE LEGAL SERVICES BRANCH**  
Michael Starr Building  
33 King Street West, 6<sup>th</sup> Floor  
P.O. Box 627, Station A  
Oshawa, ON L1H 8H5

Email: [insolvency.unit@ontario.ca](mailto:insolvency.unit@ontario.ca)

**AND TO: CANADA REVENUE AGENCY**  
**c/o DEPARTMENT OF JUSTICE (CRA)**  
The Exchange Tower, Box 36  
130 King Street West, Suite 3400  
Toronto, ON M5X 1K6

**NATHALIE HAMAM**

Tel: 437.424.3389

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**AND TO: MNP LTD.**  
111 Richmond Street West, Suite 300  
Toronto, ON M5H 2G4

**DEBORAH HORNBOSTEL, CPA, CA, CIRP, LIT, CFE**

Tel: 416-515-3885

Email: [Deborah.hornbostel@mnp.ca](mailto:Deborah.hornbostel@mnp.ca)

*Proposed Court-Appointed Receiver*

**AND TO: 11603531 CANADA INC.**  
12910 7<sup>th</sup> Concession Road  
King City, ON L7B 1K4

AND TO:

**MANIS LAW**

Yonge Eglinton Centre  
2300 Yonge Street, Suite 1600  
Toronto, ON M4P 1E4

**HOWARD MANIS**

Tel: 416.417.7257  
Email: [hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)

*Lawyer for the Respondent*

**APPENDIX A**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) TUESDAY, THE 14TH  
JUSTICE ) DAY OF NOVEMBER, 2023

**BANK OF MONTREAL**

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- and -

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APPLICATION UNDER SECTION 243(1) of the *BANKRUPTCY AND INSOLVENCY ACT* R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. c-43, AS AMENDED

**ORDER  
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. c-43, as amended (the "CJA") appointing MNP Ltd. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 11603531 Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day via zoom videoconference.

ON READING the affidavit of Leo Chun sworn September 7, 2023 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and such other counsel that were present as listed on the participant information sheet, no one appearing

for any other party on the service list although duly served as appears from the affidavit of service, filed, and on reading the consent of MNP Ltd. to act as the Receiver.

## **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and service validated, as necessary, so that this application is properly returnable today and hereby dispenses with further service thereof.

## **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the *BIA* and section 101 of the *CJA*, MNP Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, including the real property described on Schedule A, acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

## **RECEIVER'S POWERS**

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical

inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter

instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;



- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including the real property described on schedule "A";
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms,

corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver

with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on,

(ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited

into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

## **PIPEDA**

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

## **LIMITATION ON THE RECEIVER'S LIABILITY**

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

## **RECEIVER'S ACCOUNTS**

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge

(the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$125,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### **SERVICE AND NOTICE**

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission



shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## **GENERAL**

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any

other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. THIS COURT ORDERS that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

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*Justice, Ontario Superior Court of Justice*

**Schedule "A"**

**REAL PROPERTY**

The real property municipally known as 55 Dundas Street East, Toronto, Ontario M5B 1C6 and legally described as PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266; CITY OF TORONTO (PIN 21098-0106 (LT)).

## Schedule "B"

### RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of all assets, undertakings and properties of 11603531 Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor (the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the 14th day of November, 2023 (the "Order") made in an action having Court file number \_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$125,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the last day of each month after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime rate of Bank of Montreal from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued

by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

MNP Ltd., solely in its capacity as Receiver  
of the Property, and not in its personal  
capacity

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

Name:

Title:

**BANK OF MONTREAL**      11603531 CANADA INC.  
and  
Applicant                      Respondent

Court File No.:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**NOTICE OF APPLICATION**

**MILLER THOMSON LLP**

One London Place  
255 Queens Avenue, Suite 2010  
London, ON Canada N6A 5R8

**Tony Van Klink LSO#: 29008M**

Tel: 519.931.3509  
Fax: 519.858.8511  
Email: [tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)

**Lawyers for the Applicant,  
Bank of Montreal**

# TAB 2

Revised: January 21, 2014  
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. — CV-23-00705867-00CL

**ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 (COMMERCIAL LIST)**

THE HONOURABLE — MR. ) ~~WEEKDAY~~ TUESDAY, THE #14TH  
 )  
 JUSTICE — CAVANAGH ) DAY OF ~~MONTH,~~  
 ) ~~20YR~~ NOVEMBER, 2023

**~~PLAINTIFF~~<sup>†</sup>**

~~Plaintiff~~

**BANK OF MONTREAL**

Applicant

- and -

**~~DEFENDANT~~**

~~Defendant~~

**11603531 CANADA INC.**

Respondent

APPLICATION UNDER SECTION 243(1) of the *BANKRUPTCY AND INSOLVENCY ACT* R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. c-43, AS AMENDED

**ORDER  
 (appointing Receiver)**

<sup>†</sup> ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~



THIS ~~MOTION~~APPLICATION made by the ~~Plaintiff~~<sup>2</sup>Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "*BIA*") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.c-43, as amended (the "CJA") appointing ~~[RECEIVER'S NAME]~~MNP Ltd. as receiver ~~[and manager]~~ (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~11603531 Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~via zoom videoconference.

ON READING the affidavit of ~~[NAME]~~Leo Chun sworn ~~[DATE]~~September 7, 2023 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~the Applicant and such other counsel that were present as listed on the participant information sheet, no one appearing for ~~[NAME]~~any other party on the service list although duly served as appears from the affidavit of service ~~of [NAME]~~sworn [DATE], filed, and on reading the consent of ~~[RECEIVER'S NAME]~~MNP Ltd. to act as the Receiver<sub>;</sub>

## SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application Record is hereby abridged and service validated<sup>3</sup>, as necessary, so that this ~~motion~~application is properly returnable today and hereby dispenses with further service thereof.

## APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the *BIA* and section 101 of the *CJA*, ~~[RECEIVER'S NAME]~~MNP Ltd. is hereby appointed Receiver, without

<sup>2</sup>~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

<sup>3</sup>~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

security, of all of the assets, undertakings and properties of the Debtor, including the real property described on Schedule A, acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

### RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.<sup>4</sup> The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

~~<sup>4</sup> This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$~~\_\_\_\_\_~~50,000, provided that the aggregate consideration for all such transactions does not exceed \$~~\_\_\_\_\_~~100,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*,~~†~~ or section 31 of the Ontario *Mortgages Act*, as the case may be,<sup>5</sup> shall not be required,~~and in each case the Ontario Bulk Sales Act shall not apply.~~

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

~~<sup>5</sup> If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including the real property described on schedule "A";
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to

the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

**NO PROCEEDINGS AGAINST THE RECEIVER**

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

**NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or

regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall



be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

## **PIPEDA**

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a

charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.<sup>6</sup>

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ ~~\_\_\_\_\_~~ 125,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby

~~<sup>6</sup>Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as ~~Schedule~~schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

### **SERVICE AND NOTICE**

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. ~~This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>':~~

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

### **GENERAL**

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the PlaintiffApplicant shall have its costs of this motionapplication, up to and including entry and service of this Order, provided for by the terms of the PlaintiffApplicant's security or, if not so provided by the PlaintiffApplicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. THIS COURT ORDERS that this Order is effective from the date it is made and is enforceable without any need for entry or filing.

Justice, Ontario Superior Court of Justice

~~SCHEDULE "A"~~ Schedule "A"

REAL PROPERTY

The real property municipally known as 55 Dundas Street East, Toronto, Ontario M5B 1C6 and legally described as PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266; CITY OF TORONTO (PIN 21098-0106 (LT)).

Schedule "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ MNP Ltd., the receiver (the "Receiver") of ~~the~~ all assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of 11603531 Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, ~~including all proceeds thereof (collectively,~~ (the "Property") appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "Court") dated the 14th day of November, 2023 (the "Order") made in an action having Court file number CV-23-00705867-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ 125,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded ~~[daily]~~ monthly not in advance on the last day of each month after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime ~~commercial lending~~ rate of Bank of Montreal from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.



5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

~~[RECEIVER'S NAME]~~ MNP Ltd., solely in its capacity as Receiver of the Property, and not in its personal capacity

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

Name:

Title:

BANK OF MONTREAL      11603531 CANADA INC.  
Applicant      and      Respondent

Court File No.: CV-23-00705867-00CL

Double Click on mouse to Add space for Third Party □

Double Click on mouse to Add more space to parties line □

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**RECEIVERSHIP ORDER**

**MILLER THOMSON LLP**

One London Place  
255 Queens Avenue, Suite 2010  
London, ON Canada N6A 5R8

**Tony Van Klink** LSO#: 29008M

Tel: 519.931.3509  
Fax: 519.858.8511  
Email: tvanklink@millertomson.com

**Lawyers for the Applicant,**  
**Bank of Montreal**

Document comparison by Workshare Compare on Tuesday, September 12, 2023 12:22:08 PM

Input:	
Document 1 ID	iManage://MTDMSWSSC.MILLERTHOMSON.CORP/Legal/72140681/1
Description	#72140681v1<Legal> - Model Receivership Order
Document 2 ID	iManage://MTDMSWSSC.MILLERTHOMSON.CORP/Legal/72140551/1
Description	#72140551v1<Legal> - Draft Receivership Order 14-NOV-2023 (11603531 Canada)
Rendering set	Standard

Legend:	
	<u>Insertion</u>
	<del>Deletion</del>
	<del>Moved from</del>
	<u>Moved to</u>
	Style change
	Format change
	<del>Moved deletion</del>
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

<b>Statistics:</b>	
	Count
Insertions	92
Deletions	97
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	189

# TAB 3

Court File No.:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**BANK OF MONTREAL**

**Applicant**

- and -

**11603531 CANADA INC.**

**Respondent**

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended and Section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. c-43, as amended

**AFFIDAVIT OF LEO CHUN  
(Sworn September 7, 2023)**

I, Leo Chun, of the City of Toronto, Province of Ontario, MAKE OATH AND SAY:

**Introduction**

1. I am an account manager with the Special Accounts Management Unit (“**SAMU**”) of the applicant, Bank of Montreal (the “**Bank**”). The facts set forth in this affidavit are within my knowledge or determined from the face of documents attached as exhibits or held in the Bank’s records and from information and advice provided to me from others. When matters deposed to herein are based upon information and advice from others, I have identified the source of my information and do verily believe same to be true.

## **Background**

2. The Respondent, 11603531 Canada Inc. (“**116 Canada**” or the “**Respondent**”) is a Canadian corporation formed on September 3, 2019 with its registered head office in King City, Ontario. A true copy of a corporation profile report for 116 Canada is attached as **Exhibit A** to this affidavit.

3. The principals (“**Principals**”) of 116 Canada are Khalid Mahmood and Adnan Khalid.

4. 116 Canada is the owner of a 5 storey retail/office building located at 55 Dundas Street East, Toronto (the “**Property**”).

5. 116 Canada is presently indebted to the Bank for approximately \$7,375,000, plus accruing interest and costs, on two loans. The Principals and a related company, Gold Stock Corporation (“**GSC**”), have guaranteed payment to the Bank of that indebtedness. The Bank holds security over the assets, undertakings and properties of 116 Canada and GSC, including a mortgage over the Property.

6. 116 Canada failed to make required payments on the loans and pay the property taxes for the Property when due. As a result, in April 2023 the Bank demanded payment of the loans and gave notice under section 244 of the *Bankruptcy and Insolvency Act* (“**BIA**”) of its intention to enforce its security.

7. The Bank, 116 Canada, the Principals and GSC entered into a Forbearance Agreement under the terms of which the Bank agreed to forbear from the enforcement of its security and the taking of further steps for the recovery of the loans until May 31,

2023<sup>1</sup> to give 116 Canada the opportunity to refinance the Property and repay the loans in an orderly fashion.

8. The loans were not repaid as required. The forbearance period was extended to August 31, 2023, but the loans were still not repaid.

9. In the Forbearance Agreement, 116 Canada consented to the appointment of a receiver and manager by the court upon a default under the Forbearance Agreement.

10. The Bank has lost confidence in the Respondent's ability or willingness to repay the outstanding balance on its loans. The Bank seeks to enforce its security against the assets of 116 Canada by the appointment of a receiver and manager.

11. This affidavit is sworn in support of the Bank's application for an order appointing MNP Ltd. ("**MNP**") as receiver and manager by the court of the assets, undertakings and properties of the Respondent. MNP has consented to act as receiver and manager if so appointed.

### **The Loans**

12. The Bank has made two loans (the "**Loans**") to 116 Canada as follows:

- (a) a \$5,050,000 loan in October, 2019 to assist in the financing of the purchase of the Property ("**Loan No. 1**"); and

---

<sup>1</sup> Under the terms of the Forbearance Agreement, the May 31, 2023 date was to be extended to June 30, 2023 provided 116 Canada obtained and provided to the Bank by May 31, 2023 a written term sheet or offer letter for the refinancing of the Loans.



(b) a \$2,697,104 loan in March, 2022 to refinance an existing loan made to GSC (“**Loan No. 2**”).

13. Attached as **Exhibit B** to this affidavit is a true copy of a Letter of Agreement – Amendment and Restatement dated March 15, 2022 made between the Bank and 116 Canada with respect to the Loans.

14. By their terms, the Loans are payable on demand.

15. As of August 31, 2023, \$7,353,195.25 was outstanding for principal and interest on the Loans, broken down as follows:

Loan	Principal	Interest	Total
Loan No. 1	\$4,681,621.09	\$57,051.65	\$4,738,672.74
Loan No. 2	\$2,583,044.82	\$31,477.69	\$2,614,522.51

**The Security**

16. As security for its obligations to the Bank, 116 Canada provided the Bank with the following security (the “**Security**”):

(a) a General Security Agreement dated October 3, 2019 (the “**GSA**”), a true copy of which is attached as **Exhibit C** to this affidavit;

(b) a Charge over the Property registered as instrument number AT5264337 (the “**Charge**”), a true copy of which is attached as **Exhibit D** to this affidavit; and

- (c) an Assignment of Rents for the Property registered as instrument number AT5264338 (the “**AOR**”), a true copy of which is attached as **Exhibit E** to this affidavit.

17. By virtue of the Security, the Bank has a security interest in all of the assets, properties and undertakings of 116 Canada to secure the repayment of all amounts owing by it to the Bank.

18. Financing statements have been registered in favour of the Bank, as secured party, under the *Personal Property Security Act* (“**PPSA**”) with respect to the GSA and AOR. A search of registrations against “11603531 Canada Inc.” under the *PPSA* as of September 6, 2023 is attached as **Exhibit F** to this affidavit. The only registrations disclosed by that search are in favour of the Bank.

19. It is my belief and understanding that, subject to any government priority claims, the Bank has a first ranking security interest over the personal property of the Respondent and the rents and leases for the Property.

20. A true copy of the parcel register for the Property is attached as **Exhibit G** to this affidavit. The parcel register does not disclose any registered charges other than the Charge.

21. It is my belief and understanding that, subject to unpaid realty taxes and other government priority claims, the Bank has a first ranking security over the Property.

### **The Events of Default and the Transfer of the Loans to the SAMU**

22. The SAMU is responsible for the management and administration of loans and accounts having a higher than acceptable level of risk. Responsibility for the oversight and administration of the Loans and the Respondent's account with the Bank was transferred to the SAMU in January 2023 after the Bank was served with a *mareva* Order (the "**Mareva Order**") issued against the Respondent, the Principals and others and a notice (the "**Tax Notice**") was received by the Bank from a bailiff appointed by the City of Toronto to obtain payment of the outstanding taxes on the Property. Copies of the *Mareva* Order and Tax Notice are attached as **Exhibit H** and **Exhibit I**, respectively, to this affidavit.

23. The Respondent ceased making the required monthly payments on the Loans. The *Mareva* Order was later lifted, but the Respondent was unable to pay the arrears on the Loans and has not paid the outstanding taxes on the Property.

### **The Bank Demands Payment of the Loans**

24. On April 5, 2023 the Bank demanded payment of the Loans and gave notice to the Respondent under s. 244 of the *BIA* (the "**s. 244 Notice**") of the Bank's intention to enforce the Security. A true copy of the demand for payment and s. 244 notice is attached as **Exhibit J** to this affidavit.

### **The Forbearance Agreement**

25. On or about April 25, 2023, the Bank entered into a Forbearance Agreement (the “**Forbearance Agreement**”) with the Respondent, the Principals and GSC. A true copy of the Forbearance Agreement is attached as **Exhibit K** to this affidavit.

26. In the Forbearance Agreement, the Bank agreed to forbear from the enforcement of the Security until May 31, 2023, such date to be extended to June 30, 2023 provided 116 Canada obtained and provided to the Bank by May 31, 2023 a written term sheet or offer letter for the refinancing of the Loans. The Respondent acknowledged its liability for the repayment of the Loans and the validity and enforceability of the Security, agreed to fully repay the Loans by the conclusion of the forbearance period, agreed that upon the conclusion of the forbearance period the Bank would be entitled to immediately and without further notice exercise its rights and remedies and enforce the Security, and consented to an Order appointing a receiver and manager.

27. The Loans were not repaid in full by May 31, 2023 as required by the Forbearance Agreement. 116 Canada did, however, obtain a discussion paper from Royal Bank of Canada (“**RBC**”) for the refinancing of the loans.

28. By a Forbearance Extension Agreement made as of June 30, 2023 the forbearance period was extended to August 31, 2023. In the Forbearance Extension Agreement, the Respondent acknowledged its liability to the Bank for the repayment of the Loans without set off or counterclaim and that but for the extension of the forbearance period the Bank was entitled to enforce the Security. A true copy of the Forbearance Extension Agreement is attached as **Exhibit L** to this affidavit.

29. In early August, 2023, 116 Canada advised me that RBC had reduced the amount of its proposed loan from \$7.3 million to \$5.2 million. As a result, 116 Canada requested a further two-month extension of the forbearance period to pursue discussions with another prospective lender. The Bank declined a further extension unless a firm financing commitment was in hand by August 31, 2023. Attached as **Exhibit M** to this affidavit is a true copy of an email from the Bank's counsel to the Respondent's counsel confirming same.

30. On August 11, 2023, the Respondent provided BMO with a copy of a discussion paper issued by Business Development Bank of Canada for a proposed \$6.2 million loan to be secured by a first mortgage on the Property. The proposal would have required the Bank to take a second position on the Property for the remaining balance, which was not acceptable to the Bank. Through its counsel, the Bank advised the Borrower that the forbearance period would not be further extended and that the Bank would be proceeding with the enforcement of its security unless by August 31, 2023 the Respondent had a firm financing commitment in hand for the full repayment of the Loans. Attached as **Exhibit N** to this affidavit is a true copy of an email exchange between the Bank's counsel and the Respondent's counsel confirming same.

31. On August 25, 2023, I received an email from Usman Khalid again requesting an extension of the forbearance period to October 31, 2023. In that email, Mr. Khalid states: "We are requesting the extension for one last time to get this resolved by October 31, 2023 should we fail to do so we will not request any more extensions and let the bank initiate the security over the property." A true copy of that email is attached as **Exhibit O** to this affidavit.

32. By email dated August 28, 2023, the Bank's counsel responded to confirm that the forbearance period would not be extended and would expire on August 31, 2023. A true copy of that email is attached as **Exhibit P** to this affidavit.

### **The Outstanding Taxes for the Property**

33. Attached as **Exhibit Q** to this affidavit is a true copy of a tax certificate for the Property. As shown on that certificate, as at August 16, 2023, there were outstanding taxes, interest and penalties dating back to 2020 totalling \$503,078.45 owing on the Property.

### **The Bank Seeks to Enforce Its Security and the Appointment of a Receiver**

34. The forbearance period has concluded and the Bank is no longer required to forbear from the enforcement of its security. In the Forbearance Agreement, the Respondent consented to the making of a receivership order upon the conclusion of the forbearance period. Section 11.1 of the Forbearance Agreement reads as follows:

11.1 Upon the conclusion of the Forbearance Period, the Bank shall be under no obligation to continue to forbear from any Enforcement Action. Upon the conclusion of the Forbearance Period, the Bank shall be entitled, in its sole discretion, to immediately and without further notice exercise its rights and remedies against the Borrower, the Guarantors and under the Security for repayment of the Loans, including any Enforcement Action. The Borrower and Guarantors agree that they will not oppose any Enforcement Action by the Bank, including, without limitation, any application (a "**Receivership Application**") by the Bank to the Ontario Superior Court of Justice for the appointment of a receiver or receiver and manager in respect of the collateral subject to the Security and the Property. The Borrower and Corporate Guarantor irrevocably consent to an order appointing a receiver and manager in respect of their assets, undertakings and properties upon the conclusion of the Forbearance Period in the form of the model receivership order established by the Commercial Court users

committee and irrevocably waive any requirement for service of the Receivership Application.

35. The Bank has lost confidence in the Respondent, the Principals and their ability or willingness to repay the Loans. As each day passes, the outstanding taxes on the Property, including penalties and arrears, continues to increase.

36. The Bank seeks to enforce the Security through the appointment by the court of MNP as receiver and manager of all of the assets, undertakings and properties of the Respondent, including the Property, in accordance with the agreement made between the Bank and the Respondent.

37. The Security grants to the Bank the right to appoint a receiver on default. Default has occurred under the Security.

38. A receivership conducted under the court's supervision will facilitate the realization of the collateral subject to the Security in a stabilized environment and will ensure that the assets of the Respondent are realized upon and administered in accordance with the rights of the Bank and other parties.

39. The Bank wishes to proceed with the enforcement of the Security by the appointment of a receiver through the court without further delay. The Bank requests the assistance of this Honourable Court and proposes that MNP be appointed as receiver and manager by the court.

40. MNP is a licensed trustee in bankruptcy and is prepared to act as receiver if so appointed by the court.

**SWORN/AFFIRMED BEFORE ME** via )  
 video-conference with the deponent in )  
 the City of Toronto, Ontario, and the )  
 Commissioner in the Municipality of )  
 Thames Centre, Ontario this 7th day of )  
 September, 2023. This affidavit was )  
 commissioned remotely and the )  
 declaration was administered in )  
 accordance with Ontario *Regulation* )  
*431/20.* )



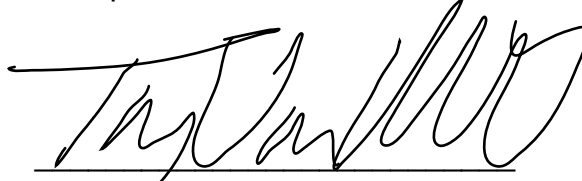
\_\_\_\_\_ )  
 A Commissioner for taking affidavits in )  
 and for the Province of Ontario. )  
 (Tony Van Klink)



\_\_\_\_\_ )  
 Leo Chun



Attached are Exhibits A to Q to the  
Affidavit of Leo Chun sworn the 7<sup>th</sup> day  
of September, 2023.

A handwritten signature in black ink, appearing to be 'Leo Chun', written over a horizontal line. The signature is stylized and cursive.

*A Commissioner, Etc.*

# EXHIBIT A



## Profile Report

11603531 CANADA INC. as of January 18, 2023

<b>Act</b>	Corporations Information Act
<b>Type</b>	Extra-Provincial Federal Corporation with Share
<b>Name</b>	11603531 CANADA INC.
<b>Ontario Corporation Number (OCN)</b>	3216311
<b>Governing Jurisdiction</b>	Canada - Federal
<b>Incorporation/Amalgamation Date</b>	September 03, 2019
<b>Registered or Head Office Address</b>	12910 7th Concession Road, King City, Ontario, Canada, L7B 1K4
<b>Status</b>	Refer to Governing Jurisdiction
<b>Date Commenced in Ontario</b>	September 03, 2019
<b>Principal Place of Business</b>	12910 7th Concession Road, King City, Ontario, Canada, L7B 1K4

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

*V. Quintanilla W.*

Director/Registrar

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

**Chief Officer or Manager**

There are no chief officer or managers on file for this corporation.

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

*V. Quintanilla W.*

Director/Registrar

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

## Corporate Name History

Refer to Governing Jurisdiction

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

*V. Quintanilla W.*

Director/Registrar

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

### Active Business Names

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

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

*V. Quintanilla W.*

Director/Registrar

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

### Expired or Cancelled Business Names

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

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

*V. Quintanilla W.*

Director/Registrar

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

## Document List

Filing Name	Effective Date
CIA - Initial Return PAF: ADNAN KHALID - DIRECTOR	September 04, 2019

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

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

*V. Quintanilla W.*

Director/Registrar

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





Government  
of Canada


Gouvernement  
du Canada

70

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)

→ [Search for a Federal Corporation](#)

## Federal Corporation Information - 1160353-1

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

### Note

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

[Order copies of corporate documents](#)

### Corporation Number

1160353-1

### Business Number (BN)

772982336RC0001

### Corporate Name

11603531 CANADA INC.

### Status

Active

### Governing Legislation

*Canada Business Corporations Act - 2019-09-03*

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

## Registered Office Address

12910 7th Concession Road  
King City ON L7B 1K4  
Canada

**Note**

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

**Directors****Minimum** 1**Maximum** 10

Usman Khalid  
24 Charles Alfred Cr.  
Markham ON L3S 2B5  
Canada

Adnan Khalid  
12910 7th Concession Road  
King City ON L7B 1K4  
Canada

**Note**

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

**Annual Filings****Anniversary Date (MM-DD)**

09-03

**Date of Last Annual Meeting**

2020-12-01

**Annual Filing Period (MM-DD)**

09-03 to 11-02

**Type of Corporation**

Non-distributing corporation with 50 or fewer shareholders

72

### Status of Annual Filings

2023 - Not due

2022 - Overdue

2021 - Overdue

## Corporate History

### Corporate Name History

2019-09-03 to Present

11603531 CANADA INC.

### Certificates and Filings

#### Certificate of Incorporation

2019-09-03

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### Date Modified:

2022-11-22

# EXHIBIT B

BMO Corporate Finance  
100 King St West, 18<sup>th</sup> Floor,  
Toronto, Ontario

03-15-2022

11603531 CANADA INC.  
55 DUNDAS ST E,  
TORONTO,  
Ontario

Attention: 11603531 CANADA INC.

**LETTER OF AGREEMENT – AMENDMENT & RESTATEMENT**

Bank of Montreal (“**BMO**”) is pleased to provide this amended and restated Letter of Agreement with respect to the credit Facilities (each a “**Facility**” and collectively, the “**Facilities**”) described herein. The letter (the “**Letter of Agreement**”) amends and restates the existing Letter of Agreement dated September 30<sup>th</sup>, 2019 (the “**Prior Letter**”). The Facilities are offered (or continue to be offered, as applicable) on the terms and conditions set out in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

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

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

**Borrower(s):** 11603531 CANADA INC.  
(the “Borrower”)

**Guarantor(s):** GOLD STOCK CORP  
KHALID MAHMOOD Individual  
ADNAN KHALID Individual  
(the “Guarantor”)

**Total Facility Limit:** The total approved amount of all Facilities shall not exceed \$7,520,606.71 at any time.

**Your Product Summary****Facility/ Facilities**

Facility No#	Product Type	Authorized Amount	Currency
1	Real Estate Facility- Shared Limit/Multi-Product/Multi-Draw-Non Readadvancable	\$2,697,104.72	CAD
2	Real Estate Facility- Shared Limit/Multi-Product/Multi-Draw-Non Readadvancable	\$4,823,501.99	CAD

**Real Estate Facility- Shared Limit/Multi-Product/Multi-Draw-Non Readadvancable**

Facility # 1 - New		
Facility Authorization:	\$2,697,104.72 CAD	
Type of Loan:	Real Estate financing	
Purpose:	To payout existing Real Estate term facility under Gold Stock Corporation with current outstanding balance of \$2,697,104.72	
Draw Conditions	<ol style="list-style-type: none"> <li>1. Confirm property tax paid up to date for subject property located at 55 Dundas St E, Toronto, Ontario; &amp;</li> <li>2. Confirm valid property insurance over subject property located at 55 Dundas St E, Toronto, Ontario with the bank listed as the first loss payee.</li> </ol>	
Maximum Amortization:	273 months	
<b>Advance Options (each a "Loan" and collectively the "Loans")</b>	<b>Cap (Amount) \$2,697,104.72</b>	<b>Additional Details</b>
<b>Fixed Rate Term Loan</b>	\$2,697,104.72 CAD	<p>Type of Loan: Closed Term Loan</p> <p>Interest Rate as of March 15, 2022:</p> <p>1 Year Term: 4.26%;</p> <p>2 Year Term: 4.66%;</p> <p>3 Year Term: 4.84%;</p> <p>4 Year Term: 4.95%; &amp;</p> <p>5 Year Term: 5.13%.</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p>Repayment Terms: Equal Monthly principal payments and Monthly interest, to be collected separately on the last day of each</p>

Your Product Details

		<p>month. The amount of the payments will be determined based on the loan amount, payment frequency, amortization, and term.</p> <p>Or</p> <p>Blended Monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p>Prepayment Terms:</p> <p>Closed Term Loan Only</p> <p>May not be prepaid, in whole or in part, prior to the maturity date.</p> <p>Maximum Term: 5 years</p> <p>Maturity Date: The last day of the month determined based on the term selected and the date of advance.</p>
<p><b>Demand Loan Non-Revolving</b></p>	<p>\$2,697,104.72 CAD</p>	<p>Interest Rate: Prime Rate plus 1.75%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of March 14<sup>th</sup>, 2022 is 2.70%.</p> <p>Repayment Terms: Repayable on demand, provided that until demand is made by BMO:</p> <p>Equal Monthly principal payments and Monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable</p> <p>Prepayments: Prepayments of principal in whole or in part are permitted, without penalty.</p>



## Your Product Details

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

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

At the request of the Borrower, the rate may be fixed up to 45 days before the Advance is made. If requested, the Borrower shall pay a refundable rate reservation fee of 1% of the principal amount of the Advance, which fee will be refunded to the Borrower on the day the Advance is made. In the event that the Advance is cancelled by the Borrower, such fee will not be refunded to the Borrower.

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

**Other**

Disbursement of funds to be control by the bank to payout existing Real Estate term facility under Gold Stock Corporation with current outstanding balance of \$2,697,104.72.

## Your Product Details

## Real Estate Facility- Shared Limit/Multi-Product/Multi-Draw-Non Readadvancable

Facility # 2 - Existing		
Facility Authorization:	\$4,823,501.99 CAD	
Type of Loan:	Real Estate financing	
Purpose:	To finance the purchase of the property located 55 Dundas St, East, Toronto.	
Maximum Amortization:	273 Months	
<b>Advance Options (each a "Loan" and collectively the "Loans")</b>	<b>Cap (Amount) \$4,823,501.99</b>	<b>Additional Details</b>
<b>Fixed Rate Term Loan (to be renewed upon maturing of current term on October 31, 2022)</b>	\$4,823,501.99 CAD	<p>Type of Loan: Closed Term Loan maturing on October 31, 2022.</p> <p>Interest Rate: 3.67%</p> <p>Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.</p> <p>Repayment Terms: Equal Monthly principal payments and Monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the loan amount, payment frequency, amortization, and term.</p> <p>Or</p> <p>Blended Monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the loan amount, term, amortization and the interest rate in effect at the time of the Advance.</p> <p>The balance of the Loan then outstanding,</p>

## Your Product Details

		<p>together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan.</p> <p>Prepayment Terms:</p> <p>Closed Term Loan Only</p> <p>May not be prepaid, in whole or in part, prior to the maturity date</p> <p>Maximum Term: [5] years</p> <p>Maturity Date: The last day of the month determined based on the term selected and the date of advance.</p>
<b>Demand Loan Non-Revolving</b>	\$4,823,501.99 CAD	<p>Interest Rate: Prime Rate plus 1.75%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of March 14<sup>th</sup>, 2022 is 2.70%.</p> <p>Repayment Terms: Repayable on demand, provided that until demand is made by BMO:</p> <p>Equal Monthly principal payments and Monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable</p> <p>Prepayments: Prepayments of principal in whole or in part are permitted, without penalty.</p>
<p>The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.</p> <p>Each Loan under this Facility shall be a separate loan, shall be non-revolving and shall be permanently reduced by any payments by the Borrower.</p> <p>At the request of the Borrower, the rate may be fixed up to 45 days before the Advance is made. If requested, the Borrower shall pay a refundable rate reservation fee of 1% of the principal amount of the Advance, which fee will be refunded to the Borrower on the day the Advance is made. In the event that the Advance is cancelled by the Borrower, such fee will not be refunded to the Borrower.</p> <p>The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.</p>		

## Terms and Conditions

### Conditions Precedent to Advances:

BMO will not be required to make any advance to the Borrower unless and until each of the conditions set out below has been completed to BMO's satisfaction.

#### Note:

1. Confirmation that all real property taxes have been paid to date for subject property located at 55 Dundas St E, Toronto, Ontario.
2. Completion of all loan and account documents and all Security as outlined via the Letter of Agreement - Amendment & Restatement.
3. Receipt of valid insurance policy over subject property confirming BMO listed as the first loss payee.

### Security:

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

#### Security Held:

1. Registered General Security Agreement ("GSA") providing BMO with a security interest over all present and after-acquired personal property of Gold Stock Corporation with a First ranking for Accounts Receivable, Inventory, and Machinery and Equipment
2. Registered General Security Agreement ("GSA") providing BMO with a security interest over all present and after-acquired personal property of 11603531 with a First ranking for Accounts Receivable, Inventory, and Machinery and Equipment
3. Registered first-ranking All Indebtedness Mortgage in the amount of \$11,050,000.00 registered over the property with the municipal address of 55 Dundas St E, Toronto, Ontario (the "Mortgaged Property") with appropriate enabling resolutions and documentation
4. Delivery of a Title insurance from Approved Title Insurance Provider in respect of the property with the municipal address of 55 Dundas St E, Toronto, Ontario naming BMO as beneficiary
5. Insurance on a "Fire and Extended Coverage" or "All Risks" basis must be arranged (with satisfactory evidence thereof delivered to BMO) satisfactory to BMO for the full insurable or replacement value with loss payable to BMO. The policy is to contain the Standard Mortgage Clause. A copy of the policy is to be provided
6. Postponement and Subrogation Agreement of shareholder/related loans advanced to the Borrower
7. Assignment of Rents over 55 Dundas St E, Toronto, Ontario to be registered under PPSA of 11603531 Canada Inc.
8. Corporate MasterCard IAO \$50,000 to be supported by the first ranking GSA from Gold Stock Corporation.

#### Security to be Obtained:

1. Joint and Several Personal guarantee from KHALID MAHMOOD and ADNAN KHALID in the amount of \$7,600,000.00 in favour of 11603531 Canada Inc.
2. Corporate guarantee from Gold Stock Corporation in favour of 11603531 Canada Inc. in the amount of \$7,600,000.00
3. Letter of Acknowledgement to be signed by corporate guarantor (Gold Stock Corp) and personal guarantors confirming 1st GSA over Gold Stock Corporation is also to support BMO advance to 11603531 Canada Inc. in support of its corporate guarantee.

## Terms and Conditions

### Security to be Released:

1. Joint and Several Personal guarantee from KHALID MAHMOOD and ADNAN KHALID in the amount of \$5,050,000 CAD in favour of 11603531 Canada Inc.
2. Corporate guarantee from Gold Stock Corporation in the amount of \$5,050,000 CAD in favour of 11603531 Canada Inc.

### Covenants:

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

### Financial Covenants:

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

Financial Covenant	Description	Requirement	Frequency
Debt service coverage ratio	(EBITDA* of Gold Stock Corporation plus Net Operating Income of 11603531 Canada Inc. less advances to related including but not limited to inter-company advances and repayment of related loans, Dividends) / Annual Principal + Interests of aggregate liabilities.  *EBITDA: Earnings before Interest, Depreciation / Amortization.	Greater Than or Equal To 1.25	Annually

### Additional Covenants:

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

1. The Borrower will not, without BMO's prior written consent, participate in any retrofit project or energy or water efficiency project affecting the Mortgaged Property which would have the effect of creating a lien, hypothec or other interest (including, but without limitation, a local improvement charge or similar interest) in the Mortgaged Property ranking, or potentially ranking, in priority to or pari passu with the interest of BMO in the Mortgaged Property, whether or not such project is sponsored or endorsed by a municipal or other government, governmental organization or utility.
2. Positive Covenants: 1) Operating Bank account to be maintained with the BMO at all times; 2) Corporate AML biennial review of the Borrower and Guarantor's AML regime; & 3) Ongoing covenants to include Borrower and Guarantor to continue to remain in good standing & compliant within BMO's Corporate AML review, operating conditions, on-going

## Terms and Conditions

monitor, and any ad-hoc reporting requirements or requests for information that are required to assess compliance with BMO's FINTRAC/AML policies

3. Negative Covenants: No further encumbrance of the subject property without prior written consent of the bank.

### Reporting Requirements:

<p><b>Annual</b></p>	<p>Notice to Reader Combined Financial Statements of Gold Stock Corporation and 11603531 Canada Inc., prepared by accountant;</p> <p>Review Engagement Financial Statements of Gold Stock Corporation to be provided within 120 days of each fiscal year end;</p> <p>Accountant prepared, Notice to Reader Financial Statements of 11603531 Canada Inc. within 120 days of each fiscal year end;</p> <p>Corporate T2 Tax Filing and Corporate Notice of Assessment of 11603531 Canada Inc. within 120 days of each fiscal year end;</p> <p>Updated property tax bill and Renewal of Fire Insurance Policy;</p> <p>Updated certified Rent Roll for subject property;</p> <p>New/renewed Lease Agreement with any tenants Updated Personal;</p> <p>Net worth Statement of Shareholders upon Bank's request.</p>
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A \$100 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

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

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

**Representations and Warranties:**

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

**Noteless Advances:**

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

**Fees:**

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

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be \$2,500.00. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

**Banking Services:**

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

**Treasury & Payment Solutions:**

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

**Commercial Loan Insurance Plan:**

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

**Counterparts; Electronic Transmissions:**

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

**Governing Law:**

Ontario and the federal Laws of Canada applicable therein.

**Schedule:**

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

Schedule A - Covenants

Schedule B - Representations and Warranties

Schedule C - Conditions Precedent to Advances

Schedule D - Definitions



## Closing for Letter

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

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than 03-14-2022. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall not be required to proceed with any of the Facilities.

Yours truly,

BANK OF MONTREAL



By: \_\_\_\_\_

Name: Pouya Etemadi

Title: Relationship Manager

CUSTOMER ACCEPTANCE

Accepted and agreed to this 15 day of March, 2022

**BORROWER:**

11603531 CANADA INC

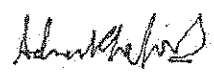
By: 

Name: adnsn khalid

Title: Authorized Signatory CEO

**Guarantors:**


ADNAN KHALID Individual

By: 

Name: adnsn khalid

Title: Authorized Signatory CEO

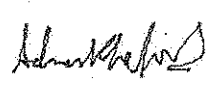
KHALID MAHMOOD Individual

By: 

Name:

Title: Authorized Signatory

GOLD STOCK CORP

By: 

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

Title: Authorized Signatory

SCHEDULE ACOVENANTS

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

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

SCHEDULE BREPRESENTATIONS AND WARRANTIES

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

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

SCHEDULE DDEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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



# EXHIBIT C

**SECURITY AGREEMENT**

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the *Personal Property Security Act* (Ontario) insofar as it affects personal property located in Ontario.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Ontario:

12910 7<sup>th</sup> Concession Road, King City, ON

And

55 Dundas Street East, Toronto, ON

And

1323 Matheson Boulevard East, Mississauga, ON

2. The Debtor hereby:

- (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future equipment and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, plant, machinery, tools and furniture now or hereafter owned or acquired or in respect of which the Debtor has rights now or in the future and any equipment specifically listed or otherwise described in any Schedule hereto ;
- (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, finished goods and packaging material and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ;
- (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future accounts, accounts receivable, client lists, client records, client files, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above ;
- (d) grants, mortgages, charges, transfers and assigns to the Bank a security interest in, all its present and future chattel papers, documents of title, instruments, money and securities, and any proceeds therefrom ; and
- (e) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immovable, of whatsoever nature and kind, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the equipment, inventory, intangibles, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral". Without limiting the generality of

List all premises and asset locations, by schedule, if necessary

Attach a schedule, if equipment is to be listed

the description of Collateral as set out in this clause 2, and for the greater certainty, the Collateral shall include all present and future personal property of the Debtor of the type described in any schedule attached hereto. The Debtor agrees that it shall promptly advise the Bank in writing of any acquisition of personal property which is not of the type herein described. The Debtor agrees to execute and deliver from time to time, at its own expense, amendments to this Security Agreement or additional security agreements, which may be reasonably required by the Bank to ensure attachment of security interests in such personal property.

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. The Collateral may also be located at other places while in transit to and from such locations and premises; and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by this Security Agreement any property of the Debtor that constitutes consumer goods for the personal use of the Debtor.

5. The Debtor shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the intangibles referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as agent of the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may require any account debtor to the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including lists of inventory and equipment and lists of accounts and accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

- (a) the Debtor shall default under any of the Obligations;
- (b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;
- (c) an execution or any other process of any court shall become enforceable against the Debtor or a distress or analogous process shall be levied upon the property of the Debtor or any part thereof;
- (d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be *bona fide* opposed by the Debtor;
- (e) the Debtor shall cease to carry on business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead, or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon the applicable premises and lease or sell the whole or any part or parts of the Collateral. The Debtor agrees that considering the nature of that part of the Collateral that is not perishable it will be commercially reasonable to sell such part of the Collateral:

- (a) as a whole or in various lots;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Bank of at least two offers from prospective purchasers who may include persons related to or affiliated with the Debtor or other customers of the Bank.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its sole discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.
12. The Debtor agrees to pay all reasonable expenses, including solicitor's fees and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation, perfection and enforcement of this Security Agreement, including all expenses incurred by the Bank and its agents to put into place and confirm the priority of any security interest in this Security Agreement and the payment of such expenses shall be secured hereby.
13. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or rights resulting therefrom.
14. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.
15. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.
16. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment or any indebtedness or liability of the Debtor to the Bank.
17. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.
18. This Security Agreement is a security agreement within the meaning of the Personal Property Security Act (Ontario) and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.
19. The Debtor acknowledges receipt of a copy of this agreement.
20. In construing this Security Agreement, terms herein shall have the same meaning as defined in the *Personal Property Security Act* (Ontario), unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on


Insert date  
of execution


3 day of October, 2019. (year)

To be signed by  
Debtor, if Debtor is a  
corporation ensure  
signatures are  
authorized and if  
Debtor is a corporation  
with a corporate seal,  
affix Corporate Seal;  
Debtor's name should  
be typed.

**Signature page follows**

11603531 CANADA INC.

Per:   
Name: Adnan Khalid  
Title: A.S.O.

Per:   
Name: Khalid Mahmood  
Title: A.S.O.

I/We have authority to bind the corporation.

**CORPORATE AUTHORIZING RESOLUTION**

“WHEREAS it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

**NOW THEREFORE BE IT RESOLVED THAT:**

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alternations, amendments or additions to which the President or a Vice-President of the Company may agree;
2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future equipment, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;
3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his agreement to any amendments, alterations or additions incorporated therein;
4. the President and the Vice-President of the Company be and they are each along hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such others acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement.”

## CERTIFICATE

To be completed  
by Secretary or  
other authorized  
officer; insert  
name of  
corporation.  
Insert  
appropriate  
date

I am the Vice-President of 11603531 CANADA INC., and I hereby certify that:

1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on the \_\_\_\_\_ day of October, 2019;
2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and
3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

Use  
applicable  
clause

(or where applicable – the Company is subject to the *Business Corporations Act* of Ontario and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the *Business Corporations Act*).

To be  
signed by  
Secretary or  
other  
authorized  
officer; affix  
corporate  
seal

By: \_\_\_\_\_

Name: Adnan Khalid

Title: Vice-President



C.S

® Registered trade-marks of Bank of Montreal



# EXHIBIT D

**Properties**

*PIN* 21098 - 0106 LT *Interest/Estate* Fee Simple  
*Description* PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266, CITY OF TORONTO  
*Address* 55 DUNDAS ST E  
TORONTO

**Chargor(s)**

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

*Name* 11603531 CANADA INC.  
*Address for Service* 1323 Matheson Boulevard East  
Mississauga, ON  
L4W 1R1

I, ADNAN KHALID, A.S.O., have the authority to bind the corporation.  
This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* BANK OF MONTREAL  
*Address for Service* 3985 Highway 7 East,  
Markham, ON L3R 2A2

**Statements**

Schedule: See Schedules

**Provisions**

*Principal* \$11,050,000.00 *Currency* CDN  
*Calculation Period* Monthly, not in advance  
*Balance Due Date* On Demand  
*Interest Rate* Prime + 5.0% per annum  
*Payments*  
*Interest Adjustment Date*  
*Payment Date* On Demand  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 201607  
*Insurance Amount* Full insurable value  
*Guarantor*

**Signed By**

Shellisa Bhagwandin 800-150 York St. acting for Signed 2019 10 15  
Toronto Chargor(s)  
M5H 3S5

Tel 416-364-1553

Fax 416-364-1453

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

**Submitted By**

MACDONALD SAGER MANIS LLP 800-150 York St. 2019 10 17  
Toronto  
M5H 3S5

Tel 416-364-1553

Fax 416-364-1453

**Fees/Taxes/Payment**

*Statutory Registration Fee* \$64.40

**Fees/Taxes/Payment**

Total Paid \$64.40

**File Number**

Chargee Client File Number : 192068

BMO  Bank of Montreal

First Canadian Place, Toronto  
 Portfolio Management Group  
 Concourse Level  
 100 King St. W.  
 Toronto, ON., M5Z 1A1

**Acceleration Clause/Due on Sale Clause:**

In the event the Mortgagor sells, conveys, transfers or enters into an agreement for sale or of transfer of the title of the lands or charge to a purchaser or transferee not approved in writing by the Chargee, which approval will not be unreasonably withheld, the principal amount of the mortgage loan and all other indebtedness secured by the mortgage with accrued interest thereon and interest rate penalty shall, at the option of the Chargee, become due and payable.

**Restriction of Secondary Financing Clause:**

Notwithstanding any other provision hereof, the Chargor shall not obtain or register any second mortgage financing against the Lands described herein and in default thereof the Chargee may at its option immediately declare the balance of all principal and interest to become immediately due and payable and all remedies of the Chargee shall immediately become fully enforceable.

**Provision of Financial Information Clause:**

The Chargor shall provide to the Chargee financial information on an annual basis or as reasonably requested by the Chargee.

**Debt Servicing Clause:**

The Chargor agrees to maintain a debt servicing coverage ratio of no less than 1.25:1.

**Receiver /Manager Clause:**

In the event the real property produces rental income and such rental income is paid to the Chargor or paid to any other party pursuant to the direction of the Chargor, the Chargor hereby as further security, assigns and pledges all such rental income to the Chargee, such pledge to become operative upon any default being made by the Chargor under any term of the within Charge and to remain in full force and effect as long as such default continues. The Chargor further authorizes the Chargee after default to enter upon the mortgaged premises and to collect in the name of the Chargor or in its own name as assignee, the rents accrued but unpaid and in arrears as of the date of default, as well as all rents accruing and becoming payable thereafter, until such default is remedied. The Chargor agrees to execute written notice to each tenant directing the tenant to pay rent to the Chargee and the Chargor further agrees to pay 10% of the gross amount of all rentals due or accruing, to the Chargee as a collection fee for such period of time when the Chargee is collecting rents or is entitled to collect rents. The Chargor further authorizes the Chargee during default, at its option and at the expense and risk of the Chargor, to enter into the full management of the property with the right to manage the property in the same manner as an owner of the property, and the Chargor hereby releases all claims against the Chargee arising out of such management, except the liability of the Chargee to account for all funds received. It is not the intention of the parties that if the Chargee manages the property as aforesaid, the Chargee shall be a "mortgagee in possession", except if the Chargee so elects in writing. In addition to the collection fee for the collection of rentals as aforesaid, the Chargee shall also be entitled to all other out-of-pocket costs and compensation for its own time of any employees expended for the management of the property in the event the Chargee enters into the management of the property.

## ACKNOWLEDGEMENT AND DIRECTION

**TO:** BANK OF MONTREAL

**AND TO:** MACDONALD SAGER MANIS LLP, its solicitors herein

**RE:** BANK OF MONTREAL LOAN TO 11603531 CANADA INC. AND GOLD STOCK CORPORATION  
55 DUNDAS STREET EAST, TORONTO, ONTARIO  
MSM FILE NO. 192068

---

**This will confirm that:**

1. We have fully reviewed the Charge/Mortgage and the Notice of Assignment of Rents-General to be registered on title to the above-noted property (the "Property") as well as the other documents attached to this Acknowledgement and Direction (collectively, the "Charge Documents").
2. We acknowledge receipt, prior to signing this Acknowledgement and Direction, of a copy of Standard Charge Terms No. 201607 which form part of the Charge Documents and are incorporated therein by reference.
3. We acknowledge that the information in the Charge Documents is correct and accurate in all respects.
4. We also acknowledge receipt of confirmation of the attached *Personal Property Security Act* registration(s) with respect to the above-noted transaction.
5. You are authorized and directed to sign and register electronically, on our behalf, the Charge Documents, and make any reasonable changes or additions thereto that may be necessary to complete the transaction described above, as well as any other documents required to complete the transaction described above, and in particular to insert or correct all particulars including registration particulars and complete all dates in such documents where required.
6. We shall be bound by the terms of the Charge Documents and all other documents required to complete the transaction described above.
7. The nature and effect of the Charge Documents described in the attached "Document Preparation Report(s)" have been fully explained to us and we understand that we are parties and bound by the terms and provisions of these electronic documents to the same extent as if we had signed these documents.
8. We are in fact the parties named in the electronic documents described in the attached Charge Documents and I have not misrepresented our identities to you.
9. All documentation required to complete the transaction described above may be executed in any number of counterparts, including counterparts delivered electronically by PDF, facsimile or functionally equivalent means, and all such counterparts taken together will be deemed to constitute one and the same instrument.
10. In the event of any investigation by the Director of Land Registration appointed under subsection 9(1) of the *Land Titles Act* (the "**Director**") regarding suspected fraudulent or unlawful activity or registration in connection with the documents attached to this Acknowledgement and Direction, we hereby consent to you releasing to the Director a true copy of this Acknowledgement and Direction, upon request by the Director.
11. In all documentation required to complete the transaction described, words importing the singular number shall include the plural and vice versa.

- Attached:  Document Preparation Report(s) re: Charge/Mortgage and Notice of Assignment of Rents-General
- Standard Charge Terms No. 201607
- PPSA Registration(s)

DATED: October 3, 2019

*signature page follows*

The undersigned have executed this document as of the day and year first written above.

**11603531 CANADA INC.**

Per: [Signature]  
Name: Adnan Khalid  
Title: A.S.O.

Per: [Signature]  
Name: Khalid Mahmood  
Title: A.S.O.

I/WE have authority to bind the corporation.

**GOLD STOCK CORPORATION**

Per: [Signature]  
Name: Adnan Khalid  
Title: A.S.O.

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: A.S.O.

I/WE have authority to bind the corporation.

WITNESS: \_\_\_\_\_ )  
\_\_\_\_\_ )  
Name: (print) \_\_\_\_\_ )

\_\_\_\_\_ )  
\_\_\_\_\_ )  
ADNAN KHALID

WITNESS: \_\_\_\_\_ )  
\_\_\_\_\_ )  
Name: (print) \_\_\_\_\_ )

\_\_\_\_\_ )  
\_\_\_\_\_ )  
KHALID MAHMOOD

**SOLICITOR'S ACKNOWLEDGEMENT**

I am the solicitor acting on behalf of the above-noted parties in this transaction and confirm that they have been provided with a copy of the above-mentioned Standard Charge Terms.

DATED: October 3, 2019

Dale & Lessmann LLP

[Signature]

Mark Edward Uster  
2100-181 University Ave  
Toronto, ON M5H 3M7

**Properties**

*PIN* 21098 - 0106 LT *Interest/Estate* Fee Simple  
*Description* PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W  
 CA734266, CITY OF TORONTO  
*Address* 55 DUNDAS ST E  
 TORONTO

**Chargor(s)**

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

*Name* 11603531 CANADA INC.  
 Acting as a company  
*Address for Service* 1323 Matheson Boulevard East  
 Mississauga, ON  
 L4W 1R1

I, , have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* BANK OF MONTREAL  
 Acting as a company  
*Address for Service* 3985 Highway 7 East  
 Markham, ON L3R 2A2

**Statements**

Schedule: See Schedules

**Provisions**

*Principal* \$11,050,000.00 *Currency* CDN  
*Calculation Period* Monthly, not in advance  
*Balance Due Date* On Demand  
*Interest Rate* Prime + 5.0% per annum  
*Payments*  
*Interest Adjustment Date*  
*Payment Date* On Demand  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 201607  
*Insurance Amount* Full insurable value  
*Guarantor*

**File Number**

*Chargee Client File Number* 192068





First Canadian Place, Toronto  
 Portfolio Management Group  
 Concourse Level  
 100 King St. W.  
 Toronto, ON., M5Z 1A1

**Acceleration Clause/Due on Sale Clause:**

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**Restriction of Secondary Financing Clause:**

Notwithstanding any other provision hereof, the Chargor shall not obtain or register any second mortgage financing against the Lands described herein and in default thereof the Chargee may at its option immediately declare the balance of all principal and interest to become immediately due and payable and all remedies of the Chargee shall immediately become fully enforceable.

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The Chargor shall provide to the Chargee financial information on an annual basis or as reasonably requested by the Chargee.

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The Chargor agrees to maintain a debt servicing coverage ratio of no less than 1.25:1.

**Receiver /Manager Clause:**

In the event the real property produces rental income and such rental income is paid to the Chargor or paid to any other party pursuant to the direction of the Chargor, the Chargor hereby as further security, assigns and pledges all such rental income to the Chargee, such pledge to become operative upon any default being made by the Chargor under any term of the within Charge and to remain in full force and effect as long as such default continues. The Chargor further authorizes the Chargee after default to enter upon the mortgaged premises and to collect in the name of the Chargor or in its own name as assignee, the rents accrued but unpaid and in arrears as of the date of default, as well as all rents accruing and becoming payable thereafter, until such default is remedied. The Chargor agrees to execute written notice to each tenant directing the tenant to pay rent to the Chargee and the Chargor further agrees to pay 10% of the gross amount of all rentals due or accruing, to the Chargee as a collection fee for such period of time when the Chargee is collecting rents or is entitled to collect rents. The Chargor further authorizes the Chargee during default, at its option and at the expense and risk of the Chargor, to enter into the full management of the property with the right to manage the property in the same manner as an owner of the property, and the Chargor hereby releases all claims against the Chargee arising out of such management, except the liability of the Chargee to account for all funds received. It is not the intention of the parties that if the Chargee manages the property as aforesaid, the Chargee shall be a "mortgagee in possession", except if the Chargee so elects in writing. In addition to the collection fee for the collection of rentals as aforesaid, the Chargee shall also be entitled to all other out-of-pocket costs and compensation for its own time of any employees expended for the management of the property in the event the Chargee enters into the management of the property.

# EXHIBIT E

**Properties**

*PIN* 21098 - 0106 LT  
*Description* PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266; CITY OF TORONTO  
*Address* 55 DUNDAS ST E  
TORONTO

**Applicant(s)**

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

*Name* 11603531 CANADA INC.  
*Address for Service* 1323 MATHESON BOULEVARD EAST  
MISSISSAUGA, ON  
L4W 1R1

I, ADNAN KHALID, A.S.O., have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Party To(s)***Capacity**Share*

*Name* BANK OF MONTREAL  
*Address for Service* 3985 HIGHWAY 7 EAST  
MARKHAM, ON  
L3R 2A2

**Statements**

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, AT5264337 registered on 2019/10/17 to which this notice relates is deleted

Schedule: See Schedules

**Signed By**

Shellisa Bhagwandin	800-150 York St. Toronto M5H 3S5	acting for Applicant(s)	Signed	2019 10 15
---------------------	--	----------------------------	--------	------------

Tel 416-364-1553

Fax 416-364-1453

I have the authority to sign and register the document on behalf of all parties to the document.

Shellisa Bhagwandin	800-150 York St. Toronto M5H 3S5	acting for Party To(s)	Signed	2019 10 15
---------------------	--	---------------------------	--------	------------

Tel 416-364-1553

Fax 416-364-1453

I have the authority to sign and register the document on behalf of all parties to the document.

**Submitted By**

MACDONALD SAGER MANIS LLP	800-150 York St. Toronto M5H 3S5			2019 10 17
---------------------------	--	--	--	------------

Tel 416-364-1553

Fax 416-364-1453

**Fees/Taxes/Payment**

<i>Statutory Registration Fee</i>	\$64.40
<i>Total Paid</i>	\$64.40

**File Number**

*Party To Client File Number :* 192077

**ASSIGNMENT OF RENTS**

**B E T W E E N:**

**11603531 CANADA INC.**  
(hereinafter called the "Assignor")

- and -

**BANK OF MONTREAL**  
(hereinafter called the "Assignee")

**FOR VALUE RECEIVED**, the Assignor doth hereby assign to the Assignee, all rights, privileges, advantages and benefits whatsoever including all rental and other income arising pursuant to leases and/or agreements to lease and/or tenancies, herein referred to as the "Leases", now or hereafter affecting the lands and premises municipally known as 55 DUNDAS STREET EAST, TORONTO, ONTARIO and more particularly described on Page 1 hereto.

This Agreement is given as additional security for the payment of all sums secured by a charge between the Assignor as Chargee and the Assignee as Chargee and which charge is registered in the said Land Registry Office on even date conveying the premises of which those demised in said Leases form all or part and which charge is herein referred to as the "Mortgage". The security of this Assignment is and shall be primary and on a parity with the real estate conveyed by said Mortgage and not secondary. All amounts collected hereunder, after deducting the expense of collection, shall be applied on account of the indebtedness secured by said Mortgage, or in such other manner as may be provided in such Mortgage. Nothing herein contained shall be construed as constituting Assignee as trustee or mortgagee in possession.

The Assignor does hereby empower the Assignee, its agents or attorneys, to collect, sue for, settle, compromise and give acquittances for all of the rents that may become due under the said Leases and avail itself of and pursue all remedies for the enforcement of said Leases and Assignor's rights in and under the said Leases as the Assignor might have pursued but for this Assignment.

The Assignor warrants that said Leases are in full force and effect, and that the copies thereof heretofore delivered to the Assignee are true and correct copies, that Assignor has not heretofore assigned or pledged the same or any interest therein, and no default exists on the part of the lessees (the "Lessees"), or the Assignor, as lessor (the "Lessor"), in the performance on the part of either, of the terms, covenants, provisions or agreements in said Leases contained; that no rent has been paid by any of the Lessees in advance, and that the payment of none of the rents to accrue under said Leases has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Assignor directly or indirectly by assuming any Lessee's obligations with respect to other premises; that no security deposit has been made by Lessees under any of the said Leases.

The Assignor waives any rights of set-off against the Lessees.

The Assignor covenants and agrees;

- a. the Leases shall remain in full force and effect irrespective of any merger of the interest of the Lessor and Lessee thereunder; and that it will not transfer or convey the fee title to said premises to any of the Lessees without requiring such Lessees, in writing, to assume and agree to pay the debt secured by the Mortgage in accordance with the terms covenants and conditions contained in the Mortgage;
- b. that if the Leases provided for an abatement of rent during the repair of the demised premises by reason of fire or other casualty, the Assignor shall furnish rental insurance to the Assignee, the policies to be in an amount and form and written by such insurance companies as shall be satisfactory to the Assignee;

- c. not to terminate, modify or amend said Leases or any of the terms thereof, and grant any concessions in connection therewith, either orally or in writing, or to accept a surrender thereof without the written consent of the Assignee and that any attempted termination, modification or amendments of said Leases without such written consent shall be null and void. Notwithstanding the foregoing, the Assignor shall be permitted to act in the ordinary course of a prudent landlord without prior written consent provided that the Assignor complies with the Letters of Agreement dated September 30<sup>th</sup>, 2019;
- d. not to collect any of the rent, income and profits arising or accruing under said Leases in advance of the time when the same become due under the terms thereof;
- e. not to discount any future accruing rents;
- f. not to execute any other assignments of said Leases or any interest therein or any of the rents thereunder;
- g. to perform all of the Assignor's covenants and agreements as Lessor under said Leases and not to suffer or permit to occur any release of liability of the Lessees, or any rights to the Lessees to withhold payment of rent; and to give prompt notices to the Assignee of any notice of default on the part of the Assignor with respect to said Leases received from the Lessees thereunder, and to furnish Assignee with complete copies of said notices;
- h. that all offers to lease and Leases shall be bona fide, the terms of which are to be approved by the Assignee prior to execution, and shall be at rental rates and terms consistent with comparable space in the area of the lands and premises described herein;
- i. if so requested by the Assignee, to enforce said Leases and all remedies available to the Assignor against the Lessees, in case of default under said Leases by the Lessees;
- j. that none of the rights or remedies of the Assignee under the Mortgage shall be delayed or in any way prejudiced by this Assignment;
- k. that notwithstanding any variation of the terms of the Mortgage or any extension of time for payment thereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof;
- l. not to alter, modify or change the terms of any guarantees of any said Leases or cancel or terminate such guarantees without the prior written consent of the Assignee;
- m. not to consent to any assignment of said Leases, or any subletting thereunder, whether or not in accordance with their terms, without the prior written consent of the Assignee;
- n. not to request, consent to, agree to or accept a subordination of said Leases to any mortgage or other encumbrance now or hereafter affecting the premises;
- o. not to exercise any right of election, whether specifically set forth in any such Leases or otherwise which would in any way diminish the tenant's liability or have the effect of shortening the stated term of the lease; and
- p. to pay the costs, charges and expenses of and incidental to the taking, preparation and filing of this Assignment or any notice hereof which may be required and of every renewal related thereto.

Upon any vesting of title to the properties secured under the Mortgage in the Chargee or other party by Court order, operation of law, or otherwise or upon delivery of a deed or deeds, pursuant to the Chargee's exercise of remedies under the Mortgage all right, title and interest of

the Assignor in and to the Leases shall by virtue of this instrument, thereupon vest in and become the absolute property of the party vested with such title or the grantee or grantees in such deed or deeds without any further act or assignment by the Assignor. The Assignor hereby irrevocably appoints Assignee and its successors and assigns, as its agent and attorney in fact, to execute all instruments or assignment or further assurances in favour of such party vested with title or the grantee or grantees.

In the exercise of the powers herein granted to the Assignee, no liability shall be asserted or enforced against the Assignee, all such liability being hereby expressly waived and released by the Assignor. The Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this Assignment, and the Assignor shall and does hereby agree to indemnify the Assignee for, and to save and hold it harmless of and from, any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases.

Should the Assignee incur any such liability, loss or damage under the Leases or under or by reason of this Assignment, or in the defence of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and the Assignor shall reimburse the Assignee therefore immediately upon demand.

Although it is the intention of the parties that this instrument shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that the Assignee shall not exercise any of the rights or powers herein conferred upon it until a default shall occur under the terms and provisions of this Assignment or of the Mortgage, but upon the occurrence of any such default, the Assignee shall be entitled upon notice to the Lessees, to all rents and other amounts then due under the Leases and thereafter accruing, and this Assignment shall constitute a direction to and full authority to the Lessees to pay all such amounts to the Assignee without proof of the default relied upon.

The Lessees are hereby irrevocably authorized to rely upon and comply with any notice or demand by the Assignee for the payment to the Assignee of any rental or other sums which may be or thereafter become due under the Leases regardless whether any default under the Mortgage has actually occurred or is then existing.

This Assignment is intended to be additional to and not in substitution for or in derogation of any assignment of rents contained in the Mortgage or in any other document.

This Assignment shall include any extensions and renewals of the Leases and any reference herein to the Leases shall be construed as including any such extensions and renewals.

This Assignment shall be binding upon and enure to the benefit of the respective successors and assigns of the parties hereto. The words "Assignor", "Assignee" and "Lessees", wherever used herein, and designated as such and their respective heirs, administrators, successors and assigns, and all words and phrases shall be taken to include the singular or plural and masculine, feminine or neuter gender, as may fit the case.


DATED: October 3, 2019

*signature page follows*

The undersigned have executed this document as of the day and year first written above.

**11603531 CANADA INC.**

Per:   
Name: Adnan Khalid  
Title: A.S.O.

Per:   
Name: Khalid Mahmood  
Title: A.S.O.

I/WE have authority to bind the corporation.

# EXHIBIT F



# Enquiry Result

File Currency: 06SEP 2023




Show All Pages

**Note: All pages have been returned.**

Type of Search	Business Debtor								
Search Conducted On	11603531 CANADA INC.								
File Currency	06SEP 2023								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	756416421	1	2	1	4	10OCT 2024			
<b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b>									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
756416421		001	003		20191010 1517 1862 9727	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	11603531 CANADA INC.								
	Address			City	Province	Postal Code			
	12910 7TH CONCESSION ROAD			KING CITY	ON	L7B 1K4			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	11603531 CANADA INC.								
	Address			City	Province	Postal Code			
	55 DUNDAS STREET EAST			TORONTO	ON	M5B 1C6			
Secured Party	Secured Party / Lien Claimant								
	BANK OF MONTREAL								
	Address			City	Province	Postal Code			
	3985 HIGHWAY 7 EAST, 3RD FLOOR			MARKHAM	ON	L3R 2A2			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent			
	MACDONALD SAGER MANIS LLP (FILE #192068 SB/MZ)			
Address	City	Province	Postal Code	
800-150 YORK STREET	TORONTO	ON	M5E 3S5	119

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	11603531 CANADA INC.								
File Currency	06SEP 2023								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	756416421	1	2	2	4	10OCT 2024			
<b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b>									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
756416421		002	003		20191010 1517 1862 9727				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	GOLD STOCK CORPORATION								
	Address			City	Province	Postal Code			
	302-21 DUNDAS SQUARE			TORONTO	ON	M5B 1B7			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	GOLD STOCK CORPORATION								
	Address			City	Province	Postal Code			
	1323 MATHESON BLVD EAST			MISSISSAUGA	ON	L4W 1R1			
Secured Party	Secured Party / Lien Claimant								
	Address			City	Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address			City	Province	Postal Code			

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	11603531 CANADA INC.								
File Currency	06SEP 2023								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	756416421	1	2	3	4	10OCT 2024			
<b>FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN</b>									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
756416421		003	003		20191010 1517 1862 9727				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	GOLD STOCK								
	Address				City	Province	Postal Code		
	1323 MATHESON BLVD EAST				MISSISSAUGA	ON	L4W 1R1		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

Type of Search	Business Debtor						
Search Conducted On	11603531 CANADA INC.						
File Currency	06SEP 2023						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	756416457	2	2	4	4	10OCT 2024	

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**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
756416457		001	001		20191010 1517 1862 9729	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	11603531 CANADA INC.			
	Address	City	Province	Postal Code
	12910 7TH CONCESSION ROAD	KING CITY	ON	L7B 1K4

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	11603531 CANADA INC.			
	Address	City	Province	Postal Code
	55 DUNDAS STREET EAST	TORONTO	ON	M5B 1C6

Secured Party	Secured Party / Lien Claimant			
	BANK OF MONTREAL			
	Address	City	Province	Postal Code
	3985 HIGHWAY 7 EAST, 3RD FLOOR	MARKHAM	ON	L3R 2A2

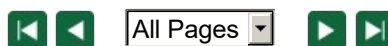
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	GENERAL ASSIGNMENT OF RENTS OVER THE REAL PROPERTY MUNICIPALLY KNOWN AS 55 DUNDAS STREET EAST, TORONTO, ONTARIO.

Registering Agent	Registering Agent			
	MACDONALD SAGER MANIS LLP (FILE #192068 SB/MZ)			
	Address	City	Province	Postal Code
	800-150 YORK STREET	TORONTO	ON	M5H 3S5

LAST PAGE

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# EXHIBIT G



**ServiceOntario**

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #66

21098-0106 (LT)

PAGE 1 OF 4  
PREPARED FOR Rebecca01  
ON 2023/04/04 AT 16:24:32

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266; CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE  
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2003/09/22

OWNERS' NAMES

11603531 CANADA INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/09/19 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 2003/09/22 **</p>						
63BA1091	1977/10/03	PLAN BOUNDRIES ACT				C
REMARKS: CT257509						
CA658332	2000/03/31	CHARGE		*** COMPLETELY DELETED ***	ROBSON AND SALDANHA LTD.	
CA731486	2001/07/03	TRANSFER OF CHARGE		*** COMPLETELY DELETED ***	TREEFIELD HOLDINGS LTD.	
REMARKS: CA658332						
CA733053	2001/07/13	AGREEMENT		*** COMPLETELY DELETED ***		
REMARKS: AMENDS, CA658332; DELETED UNDER BULLETIN 89004 ON JAN. 8/10.						
CA734266	2001/07/23	TRANSFER		*** COMPLETELY DELETED ***	PENEX MISSION PRESS LTD.	
CA771806	2002/06/06	AGR AM CH		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.





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21098-0106 (LT)

PAGE 2 OF 4  
PREPARED FOR Rebecca01  
ON 2023/04/04 AT 16:24:32

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<i>REMARKS: CA658332, CA731486, CA733053</i>						
CA802208	2003/05/08	CHARGE		*** COMPLETELY DELETED ***	QUAHOLD CORPORATION	
CA802209	2003/05/08	ASSIGNMENT GENERAL		*** COMPLETELY DELETED ***		
<i>REMARKS: RENTS CA802208</i>						
CA803873	2003/07/10	AGR AM CH		*** COMPLETELY DELETED ***		
<i>REMARKS: CA658332, CA731486, CA733053, CA771806</i>						
AT505137	2004/06/03	NOTICE		*** COMPLETELY DELETED *** PENEX DUNDAS SQUARE LTD.	TREEFIELD HOLDINGS LIMITED	
<i>REMARKS: CA658332</i>						
AT588014	2004/08/27	CHARGE		*** COMPLETELY DELETED *** PENEX MISSION PRESS LTD.	QUAHOLD CORPORATION	
AT653598	2004/11/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** QUAHOLD CORPORATION		
<i>REMARKS: RE: AT588014</i>						
AT653602	2004/11/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** QUAHOLD CORPORATION		
<i>REMARKS: RE: CA802208</i>						
AT694657	2004/12/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** TREEFIELD HOLDINGS LIMITED		
<i>REMARKS: RE: CA658332</i>						
AT694670	2004/12/23	TRANSFER		*** COMPLETELY DELETED *** PENEX MISSION PRESS LTD.	EVELYN AIMIS HOLDINGS INC.	
<i>REMARKS: PLANNING ACT STATEMENTS</i>						
AT694671	2004/12/23	CHARGE		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	LAURENTIAN BANK OF CANADA	
AT1418938	2007/04/13	NOTICE	\$2	CITY OF TORONTO	EVELYN AIMIS HOLDINGS INC.	C
AT1551593	2007/08/24	CHARGE		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	LAURENTIAN BANK OF CANADA	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



**ServiceOntario**

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND  
REGISTRY  
OFFICE #66

21098-0106 (LT)

PAGE 3 OF 4  
PREPARED FOR Rebecca01  
ON 2023/04/04 AT 16:24:32

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT1551594	2007/08/24	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	LAURENTIAN BANK OF CANADA	
		REMARKS: AT1551593				
AT1560966	2007/08/31	NOTICE		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	LAURENTIAN BANK OF CANADA	
		REMARKS: AT1551593				
AT1703626	2008/02/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** LAURENTIAN BANK OF CANADA		
		REMARKS: RE: AT694671				
AT2001753	2009/01/27	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 1378189 ONTARIO LTD.		
AT2009741	2009/02/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** TRACOGNA, WALTER		
AT2029297	2009/03/13	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	TRACOGNA, WALTER	
		REMARKS: RE: AT2009741				
AT2029762	2009/03/16	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	1378189 ONTARIO LTD.	
		REMARKS: RE: AT2001753				
AT2265258	2009/12/22	NOTICE		*** COMPLETELY DELETED *** LAURENTIAN BANK OF CANADA	EVELYN AIMIS HOLDINGS INC.	
		REMARKS: AT1551593				
AT2356009	2010/04/20	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** XTREME GLASS INC.		
AT2385201	2010/05/20	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	M.J. DIXON CONSTRUCTION LIMITED	
AT2588712	2010/12/30	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** M.J. DIXON CONSTRUCTION LIMITED		
AT2603524	2011/01/21	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** M.J. DIXON CONSTRUCTION LIMITED		
		REMARKS: AT2588712.				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



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21098-0106 (LT)

PAGE 4 OF 4  
PREPARED FOR Rebecca01  
ON 2023/04/04 AT 16:24:32

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT2650973	2011/03/25	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** BARRIE GLASS & MIRROR LTD.		
AT2695810	2011/05/19	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** BARRIE GLASS & MIRROR LTD.		
		REMARKS: AT2650973.				
AT3757212	2014/12/03	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** EVELYN AIMIS HOLDINGS INC.	HAKIM OPTICAL LABORATORY LIMITED	
AT3833901	2015/03/17	APL CH NAME OWNER		*** COMPLETELY DELETED *** HAKIM OPTICAL LABORATORY LIMITED	EVELYN AIMIS HOLDINGS INC.	
AT4511626	2017/03/15	CHARGE		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	THE TORONTO-DOMINION BANK	
AT4511627	2017/03/15	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** EVELYN AIMIS HOLDINGS INC.	THE TORONTO-DOMINION BANK	
		REMARKS: AT4511626.				
AT4523597	2017/03/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** LAURENTIAN BANK OF CANADA		
		REMARKS: AT1551593.				
AT5264336	2019/10/17	TRANSFER	\$11,050,000	EVELYN AIMIS HOLDINGS INC.	11603531 CANADA INC.	C
		REMARKS: PLANNING ACT STATEMENTS.				
AT5264337	2019/10/17	CHARGE	\$11,050,000	11603531 CANADA INC.	BANK OF MONTREAL	C
AT5264338	2019/10/17	NO ASSGN RENT GEN		11603531 CANADA INC.	BANK OF MONTREAL	C
		REMARKS: AT5264337				
AT5264910	2019/10/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
		REMARKS: AT4511626.				

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# EXHIBIT H



January 17, 2023

*Delivered: via Email and by Process Server*

**TO: Bank of Montreal  
3993 HWY 7  
Markham, ON L3R 5M6**

Dear Sir or Madame,

**RE: Bryan Grant v. Usman Khalid, et. al.  
Court File # CV-22-00690949-0000  
Our File No.: 565-00001**

Please be advised that we act for Mr. Bryan Grant (our “**Client**”), who is the Plaintiff in the above-mentioned matter.

Please find enclosed a copy of the order Our Client obtained on January 17, 2023 (the “**Order**”) against the:

Corporate Defendants

1. Gold Stock Canada Inc. – Corporation # 1147664-5
2. Canada Gold Centre Inc. – Corporation # 1150392-8
3. Gold X Canada Inc. – Corporation # 1172703-6
4. Aarus Corporation – Corporation # 1257307-5
5. Aarus Holdings Inc. – Corporation # 870806-1
6. SG Traders Inc. – Corporation # 1405393-1
7. Gold Ingot Canada Inc. – Corporation # 1229278-5
8. Canada Precious Metals Refining Inc. – Corporation # 870804-5
9. Swiss Fine Gold Corporation – Corporation # 390208-1
10. Gold Stock Live

Individual Defendants

10. Usman Khalid – Date of Birth: July 1, 1991
11. Suleman Khalid -
12. Khalid Mahmood – Date of Birth: May 12, 1959
13. Adnan Khalid – Date of Birth: May 15, 1984
14. Rehman Khalid – Date of Birth: December 18, 1985

Pursuant to the Order, we request that you immediately freeze and prevent any removal or transfer of funds or assets of the Corporate and Individual Defendants, including those listed in Schedule 2 of



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Collingwood, ON L9Y 1A1

131

T: +1 647-243-5111 ext. 101  
F: +1 647-694-5393

anique@ScoccoLaw.ca

the Order. Please see paragraphs 8 and 9 of the attached Order for more information regarding your compliance requirements.

Pursuant to the Order, we also request that you forthwith or no later than 5 business days from the date of this letter, provide us with any and all records held by the Bank of Montreal concerning the Corporate and Individual Defendants' accounts and assets, including records of existence, nature, value, and location of any monies or assets or credit. Please see paragraphs 10 and 11 of the enclosed Order for more information regarding your compliance requirements.

Kind regards,

*A. Dublin*

**SCOCCO LAW PROFESSIONAL CORPORATION**

**Anique N.G Dublin**

**Litigation Associate**

**ANGD**

**CITATION:** Grant v. Khalid et al, 2023 ONSC Number  
**COURT FILE NO.:** CV-22-00690949  
**DATE:** 20230116

**SUPERIOR COURT OF JUSTICE - ONTARIO**

**RE:** Bryan Grant

**AND:**

Usman Khalid et al.

**BEFORE:** Justice Chalmers

**COUNSEL:** *R. Scooco* for the Plaintiff

**HEARD:** January 13, 2023

**ENDORSEMENT**

**OVERVIEW AND FACTUAL BACKGROUND**

[1] The Plaintiff brings this motion without notice. The Plaintiff seeks the following relief:

- (a) a *Mareva* injunction restraining the five individuals, Usman Khalid, Suleman Khalid, Khalid Mahmood, Adnan Khalid, and Rehman Khalid, and ten corporate entities, Gold Stock Canada Inc., Gold Stock Live Inc., Gold X Canada Inc., Canada Gold Centre Inc., SG Traders Inc., AARUS Corporation, Swiss Fine Gold Corporation, Canada Precious Metals Refining Inc., AARUS Holdings, and Gold Ingot Canada (the “*Mareva* Defendants”) together with their servants, agents, employees, assigns and anyone else acting on their behalf or in conjunction with them from dissipating assets, including certain bank accounts and requiring the financial institutions at which those accounts are held, to freeze those accounts; and
- (b) a *Norwich* order requiring third party banks to disclose and deliver up information relating to bank accounts associated with the Defendants.

[2] On February 23, 2021, the Plaintiff entered into an agreement with Gold Stock Canada Inc. (Gold Stock) for the purchase and storage of 1 kilogram of Gold and 2,000 ounces of Silver. The purchase price was \$148,900 CAD. The amount was paid by the Plaintiff to Gold Stock on February 24, 2021. Gold Stock may also operate under the trade name Gold Stock Live.

[3] On March 9, 2022, the Plaintiff entered into an agreement with Gold Stock for the purchase and storage of 8 kilograms of Gold and 5000 ounces of Silver and 100 ounces of Platinum. The purchase price was \$1,001,500 CAD. The amount was paid by the Plaintiff to Gold Stock on March 15, 2022.

[4] On April 4, 2022, the Plaintiff entered into an agreement with Gold Stock for the purchase and storage of 5 kilograms of Gold in the amount of \$391,750. On April 7, 2022, the Plaintiff entered into an agreement with Gold Stock for the purchase and storage of 18 kilograms of Gold in the amount of \$1,414,800 CAD. The amounts were paid by the Plaintiff to Gold Stock on April 13, 2022. On April 7, 2022, the Plaintiff provided Gold Stock with 900 ounces of Silver for storage. The silver was valued at \$27,900 CAD.

[5] In late April 2022, the Plaintiff requested the return of all his precious metals stored with Gold Stock. In June 2022, the Plaintiff collected 100 ounces of Platinum from Gold Stock. On June 27, 2022, the Plaintiff traded 120 kilograms of Gold stored by Gold Stock for 300 ounces of Platinum. On August 23, 2022, the Plaintiff traded 200 ounces of Palladium stored by Gold Stock on his behalf for 21,000 ounces of Silver. On September 13, 2022, the Plaintiff received a wire transfer from Gold Stock in the amount of \$100,000 USD.

[6] The wire transfers made by the Plaintiff were to the Bank of Montreal branch at 3993 Hwy 7, Markham. The payment of \$100,000 USD on September 13, 2022 was from the Bank of Montreal, customer account number 25924754443.

[7] No other precious metals were returned. In late September 2022, the director of Gold Stock, Usman Khalid told the Plaintiff that the funds provided to Gold Stock were not used to purchase the precious metals but instead were for Mr. Khalid's personal use. Mr. Grant, in his affidavit, states as follows:

22. In late September 2022, I met with Mr. Khalid for an in-person meeting. At this meeting, Mr. Khalid told me that he had not purchased my metals and that he had made a "bad bet" and would not be able to refund my money until after he refinanced his building. Mr. Khalid told me that the money he received from me was used for Mr. Khalid's personal purposes. He apologised multiple times throughout the conversation and told me that he felt "*embarrassed*" that this happened.

[8] Mr. Grant deposes that between December 6, 2022 and January 4, 2023, he has been in communication with Usman Khalid. Although Usman Khalid promised to return the funds, he has failed to do so. As of the date of this motion, Gold Stock has not returned 11 kilograms of Gold, 28,900 ounces of Silver and 100 ounces of Palladium. The value of the precious metals that have not been returned is currently approximately \$2,000,000 CAD.

[9] The Defendants appear to be family members who together are involved in a number of related companies. Gold Stock's Board of Directors are Usman Khalid, Khalid Mahmood and Suleman Khalid. Suleman Khalid is the manager for Gold Stock. Both Usman Khalid and Suleman Khalid advised the Plaintiff that the "big boss" is Khalid Mahmood.

[10] Usman Khalid and Khalid Mahmood jointly own the property at 24 Charles Alfred Cres., Markham. Adnan Khalid and Rehman Khalid jointly own a property in the King Township.

[11] Khalid Mahmood is also a Director of Canada Gold Centre Inc. He was also on the initial Board of Directors of Gold X Canada, along with Suleman Khalid and Usman Khalid. Suleman Khalid and Khalid Mahmood stepped down as Directors of Gold X on November 18, 2021.



[12] The first Board of Directors of AARUS Corporation were Rehman Khalid and Adnan Khalid. The registered business address of AARUS is 302-21 Dundas Sq., Toronto. This is the address listed for Khalid Mahmood as his residence in his credit report. Adnan and Rehman Khalid both list Gold Stock as their employer on their credit report. Adnan Khalid also lists 302-21 Dundas Sq. as his residence on his credit report.

[13] AARUS Holdings Inc. was incorporated by Adnan Khalid. The registered office for this company is 302-21 Dundas Sq., Toronto. SG Traders Inc. was incorporated by Rehman Khalid. Rehman Khalid is also a Director of Gold Ingot Canada Inc. Canada Precious Metals was incorporated by Adnan Khalid. The registered address for this corporation is 302-21 Dundas Sq., Toronto. Swiss Fine Gold Corp. was incorporated by Khalid Mahmood.

[14] On the evidence before me, I am satisfied that there is a relationship between the five individuals and the ten corporations. Usman Khalid, Suleman Khalid and Khalid Mahmood are Directors of Gold Stock. Adnan Khalid and Rehman Khalid list Gold Stock as their employer on their credit report. The individual Defendants are or were Directors of the corporate Defendants. Usman Khalid and Khalid Mahmood own residential property together. Adnan Khalid and Khalid Mahmood list 302-212 Dundas Sq., Toronto as their residence on their credit reports. The corporations appear to operate out of the address on Dundas Sq.

[15] The primary bank for Gold Stock is the Bank of Montreal. Gold Stock provided instructions to the Plaintiff to send wire transfers to the Bank of Montreal accounts. The Plaintiff has identified the following accounts in the name of Gold Stock:

- (1) Account Holder: Gold Stock Canada Inc.  
Account Holder Address: 55 Dundas Street East, 3rd Floor, Toronto, ON M5B 1C6  
Name of Bank: Bank of Montreal  
Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
Account Number: 25924754443  
Transit Number: 25922  
Institution Number: 001  
Swift Code: BOFMCAM2
- (2) Account Name: Gold Stock Canada Inc.  
Account Holder Address: 55 Dundas Street East, 3rd Floor, Toronto, ON M5B 1C6  
Name of Bank: Bank of Montreal  
Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
Account Number: 1964-753  
Transit Number: 25922  
Institution Number: 001  
Swift Code: BOFMCAM2

(3) Account Name: Gold Stock Canada Inc.  
Account Holder Address: 55 Dundas Street East, 3rd Floor, Toronto, ON M5B 1C6  
Name of Bank: Bank of Montreal  
Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
Account Number: 4754-443  
Transit Number: 25922  
Institution Number: 001  
Swift Code: BOFMCAM

[16] Based on the credit reports, Adnan Khalid has accounts with TD Bank and CIBC. Khalid Mahmood has accounts with the CIBC. Rehman Khalid has accounts with CIBC and City Bank. Usman Khalid has accounts with CIBC, RBC and Scotia Bank.

## **ANALYSIS**

### ***Mareva Injunction***

#### ***Test for an Injunction***

[17] The criteria for granting a *Mareva* injunction is established in the case of *Chitel et al v. Rothbart et al.*, 1982 CanLII 1956 (ON CA):

- i. The plaintiff should make full and frank disclosure of all matters in his knowledge which are material for the judge to know;
- ii. The plaintiff should give particulars of his claim against the defendant, stating the grounds of his claim and the amount thereof, and fairly stating the points made against it by the defendant;
- iii. The plaintiff should give some grounds for believing that the defendants have assets in Ontario;
- iv. The plaintiff should give some grounds for believing that there is a risk of the assets being removed before the judgment or award is satisfied; and
- v. The plaintiff must give an undertaking as to damages.

[18] *Mareva* injunctions are an exception to the general principle that a party cannot obtain execution over another's assets before judgment. This allows a plaintiff to tie up the assets of a defendant pending the trial of an action that may not be ultimately successful: *663309 Ontario Inc. v. Bauman*, 2000 CanLII 22640 (ONSC) at para. 31. A *Mareva* injunction is to be granted only in circumstances where there is a real risk a defendant may remove assets from the jurisdiction to avoid judgment: *Aetna Financial Services Ltd. v. Feigelman*, 1985 CanLII 55 (SCC), [1985] 1 SCR 2.

[19] The Plaintiff must establish that it has a strong *prima facie* case against the Defendants. The question to be asked is, if the court had to decide the matter on the merits on the basis of the material before it, would the Plaintiff succeed?

[20] I am satisfied that the Plaintiff has established a strong *prima facie* case. The Plaintiff submitted documentary evidence that wire transfers were made to Gold Stock. In September 2022, Usman Khalid, a Director of Gold Stock admitted that the Plaintiff's funds were not used to purchase precious metals but instead was for his use.

[21] The individual Defendants all have a relationship with Gold Stock. Usman and Suleman Khalid along with Khalid Mahmood are Directors of the company. Rehman and Adnan Khalid are employees of the company. The individual Defendants have property in common and are involved in the operation of the corporate Defendants. It is reasonable to infer that if the Plaintiff's funds were not used to purchase the precious metals, the funds may have been transferred to the individual and corporate Defendants.

[22] There is also evidence that the Defendants have assets in Ontario. Khalid Mahmood and Usman Khalid own the property at Charles Alfred Cres. in Markham and Rehman and Adnan Khalid own property in King Township. They operate businesses in Toronto, out of the offices at 302-21 Dundas Sq. Toronto.

[23] A *Mareva* injunction requires the moving party to demonstrate that the assets of the defendant are being or will be dissipated and will not be available for execution after judgment. In cases involving allegations of fraud, the real risk of the removal or dissipation of assets can be established by inference, as opposed to direct evidence: *Sibley & Associates LP v. Ross*, 2011 ONSC 2851, at para. 63.

[24] I find that there is a risk the assets may be moved from Ontario before judgment. The Defendants operate a number of businesses which could allow for the transfers of funds as between them. The Defendants are believed to have ties to Pakistan. The Defendant, Adnan Khalid conducts business in Alberta. I am also satisfied that given the Defendants' conduct in not using the Plaintiff's funds to purchase precious metals and instead using the funds for their own use, there is the possibility the Defendants will move the assets out of Ontario if provided with notice of the legal proceedings.

[25] Irreparable harm is harm, "which either cannot be quantified in monetary terms or which cannot be cured": *RJR-Macdonald Inc. v Canada*, 1994 CanLII 117 (SCC), [1994] 1 SCR 311 at 64. The probability of irreparable harm increases as the probability of recovering damages decreases: *HTS Engineering Ltd. v. Marwah*, [2019] ONSC 6351, at para. 200. Although there is evidence that four of the individual Defendants own property, there is no information as to the value of the properties or the amount of current equity in the properties. Here the amount in issue is significant. If the funds are dissipated or transferred, the chances of the Plaintiff recovering the amount owed decreases.

[26] In determining the balance of convenience, I must consider which party will suffer greater harm from the granting or refusal of the injunction. In the circumstances of this case, I am satisfied that the balance of convenience favours granting the injunction. The injunction will preserve the funds that were paid by the Plaintiff to purchase the precious metals until the rights of the parties can be determined at trial.

[27] Absent unusual circumstances, the Plaintiff must provide the undertaking as to damages: *United States of America v. Yemec* (2005), 2005 CanLII 8709 (ON SCDC), 75 O.R. (3d) 52 (C.A.). The Plaintiff has provided the court with an undertaking as to damages.

*Norwich Order*

[28] *Norwich* orders have been granted to obtain the identity of a wrongdoer, to evaluate whether a cause of action exists, to plead a known cause of action, to trace assets, or to preserve evidence or property: *GEA Group A.G. v. Flex-N-Gate Corporation*, 2009 ONCA 619, at para. 91. The flexibility, elasticity and ethical nature of equitable remedies also make a *Norwich* order applicable to help enforce a judgment.

[29] The test that has evolved over time for *Norwich* orders requires the court to address the following questions:

- a. Has the applicant provided evidence sufficient to raise a *bona fide* or reasonable claim?
- b. Was the third party from whom the information is sought involved in the events giving rise to the claim?
- c. Is the third party the only practicable source for the information?
- d. Can the third party be indemnified for the cost of complying with the order and any potential damages that might flow from compliance? and
- e. Do the interests of justice favour granting the relief sought?: *Rogers Communications Inc. v. Voltage Pictures, LLC*, [2018] S.C.J. No. 38, at para. 18.

[30] I am satisfied that these criteria are met in this case.

[31] As noted above, I am satisfied that a *bona fide* and reasonable claim has been made out.

[32] The Plaintiff seeks information from banks and other institutions that have involvement with the Defendants. The purpose of the order is to ascertain where the Defendants' assets are located and to trace the flow of funds. It is my view that the third party banks are the only practicable source of the information. The Plaintiff expresses the concern that if he does not obtain the information from the banks when the Defendants receive notice of the order, the funds may be dissipated through the other accounts.

[33] I am satisfied that the third-party banks and financial institutions are entitled to their reasonable costs of complying with the order. The Plaintiff is ordered to pay all reasonable costs incurred by the banks and financial institutions in providing the information to be produced.

[34] I find that the interests of justice favour the granting of the relief sought. The Plaintiff provided significant funds to Gold Stock to purchase precious metals. Mr. Khalid has admitted that the money was not used for the purchase of precious metals but was instead for his own use. The order is required because of the clear breach of the agreement and the failure to comply with their obligations to return the precious metals to the Plaintiff.

**DISPOSITION**

[35] For the reasons set out above, I am satisfied that the Plaintiff is entitled to the relief sought. The order will be in effect for 10 days. If the Plaintiff seeks to extend the order, the Plaintiff may bring a motion on notice to the Defendants. I remain seized.

[36] The order shall go in accordance with the draft order filed and signed by me.



C. HALMERS, D.

**Date: January 16, 2023**

Court File No.: CV-22-00690949-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE ) TUESDAY, THE 17<sup>TH</sup>  
JUSTICE CHALMERS ) DAY OF JANUARY 2023

B E T W E E N:

**BRYAN GRANT**

Plaintiff

- and -

**USMAN KHALID, SULEMAN KHALID, KHALID MAHMOOD, ADNAN KHALID, ZAFAR AHMED KHAN, SUKHWINDER SINGH GARCHA, ALI RAJA, GARETH WEST, AISHA KHALID, NASIR MEHMOOD, MATLOOB CHAUDRY, MUHAMMAD TARIQ ISLAM, FAZAL MAHMOOD, MAHER HAFEZ, AFTAB AHMED, MOHAMMAD NADEEM, HARSIMRANDEEP SINGH GILL, MUHAMMAD LLYAS ASWAN, TAHIR MEHMOOD, WASMA KHALID, MONAL KHALID, TEHSEEN FATIMA, HAMAD MASOOD LODHI, BUSHRA KHALID, ALI AKBAR, HASSAN SHARIQ, REHAMN KHALID, GOLD STOCK CANADA INC., GOLD STOCK LIVE INC., GOLD X CANADA INC., BITXCANADA INC., 10587699 CANADA CORPORATION, FOUR02 INTERACTIVE INC., 12897610 CANADA INC., 11603531 CANADA INC., 12893428 CANADA INC., 12528967 CANADA INC., 11535994 CANADA CORP., 14091639 CANADA INC., 9380353 CANADA INC., 11932233 CANADA INC., DOTVIEW IT SUPPORT INC., 10597333 CANADA INC., 11507524 CANADA INC., 7223986 CANADA INC., CANADA GOLD CENTRE INC., ENVY LOGISTICS & TRANSPORTATION LTD., 8321175 CANADA LTD., DEALS UP INC., 13749533 CANADA INC., FELCUS IMMIGRATION CONSULTANCY SERVICES, ADSHA INC., SG TRADERS INC., AARUS CORPORATION, 9193685 CANADA INC., SARGODHA ENTERPRISES INC., 3135624 CANADA INC., 6909001 CANADA INC., GREATSOL SYSTEMS INC., SWISS FINE GOLD CORPORATION, DYNAPIX LTD., SHERU ENTERPRISES INC., SHARIF FOUNDATION, KWIKEX INC., CANADA PRECIOUS METALS REFINING INC., AARUS HOLDINGS INC., GOLD INGOT CANADA, and BUNKABAB INTERACTIVE INC., CASH OUT INC., SHARIF & SONS INC., GOLD STOCK, SPURDEAL INC., GOLD STOCK LIVE, JOHN DOE CORPORATION**

Defendants

**ORDER**

**THIS MOTION**, made by the Plaintiffs for an interim Order *ex parte* in the form of a Mareva injunction restraining the Defendants listed in **Schedule “1”** hereto (hereinafter referred to as the “**Mareva Defendants**”) from dissipating their assets and other relief, a *Norwich Pharmacol* Order requiring third party banks to disclose and deliver up information relating to bank accounts and other assets associated with the Mareva Defendants, was heard this day via video conference.

**ON READING** the Statement of Claim, Affidavit of the Plaintiff, Bryan Grant, and the exhibits thereto, the Moving Party’s Factum, and on hearing the submissions of counsel for the Parties and on noting the undertakings of the Plaintiffs to abide by any Order this Court may make concerning damages arising from the granting and enforcement of this Order:

### **Mareva Injunction**

1. **THIS COURT ORDERS** that the Mareva Defendants and their servants, employees, agents, assigns, officers, directors and anyone else acting on their behalf or in conjunction with any of them, and any and all persons with notice of this injunction, are restrained from directly or indirectly, by any means whatsoever:

- (a) selling, removing, dissipating, alienating, transferring, assigning, encumbering, or dealing with any assets, whether solely or jointly owned, wherever situated in the world, any other accounts which may have received any funds of the Mareva Defendants, and any other assets into which any funds of the Mareva Defendants may be traced or have been transferred, including, but not limited to, the assets and accounts set out in **Schedule “2”** (the “**Accounts and Assets**”);
- (b) instructing, requesting, counselling, demanding, or encouraging any other person to do so; and
- (c) facilitating, assisting in, aiding, abetting, or participating in any acts the effect of which to do so.

2. **THIS COURT ORDERS** that paragraph 1 applies to all the Mareva Defendants' Accounts and Assets, whether or not held in their own name, whether solely or jointly owned, and wherever located in the world, including any Accounts and Assets which they have the power or authority, directly or indirectly, to dispose of or to deal with, including where a third party holds or controls the Accounts and Assets in accordance with the Mareva Defendants' instructions.

3. **THIS COURT ORDERS** that if the total value free of charges or other securities of the Mareva Defendants' assets worldwide exceeds \$2,000,000.00 the Mareva Defendants may sell, remove, dissipate, alienate, transfer, assign, encumber, or similarly deal with them so long as the total unencumbered value of the Mareva Defendants' assets worldwide remains above \$2,000,000.00.

#### **Ordinary Living Expenses**

4. **THIS COURT ORDERS** that the Mareva Defendants may apply for an order, on at least twenty-four (24) hours' notice to the Plaintiff, specifying the amount of funds which the Mareva Defendants are entitled to spend on ordinary living expenses and legal advice and representation.

#### **Disclosure of Information by the Mareva Defendants**

5. **THIS COURT ORDERS** that the Mareva Defendants prepare and provide to the Plaintiff within seven (7) days of the date of service of this Order, a sworn affidavit setting out particulars of the nature, value and location of their assets worldwide, whether in their own name or not and whether solely or jointly owned, including without limitation any bank or investment accounts, securities, cash, real property, vehicles and other personal property (the "**Affidavits**").

6. **THIS COURT ORDERS** that the Mareva Defendants submit to examinations under oath in respect of their Affidavits within seven (7) days of the delivery by the Mareva Defendants of the Affidavits.



7. **THIS COURT ORDERS** that if the provision of any of this information is likely to incriminate the Mareva Defendants, they may be entitled to refuse to provide it, but are recommended to take legal advice before refusing to provide the information. Wrongful refusal to provide the information referred to in paragraph 5 herein is contempt of court and may render the Mareva Defendants liable to be imprisoned, fined, or have their assets seized.

#### **Disclosure of Information by Third Parties**

8. **THIS COURT ORDERS** the financial institutions that are served a copy of this order to forthwith freeze and prevent any removal or transfer of funds or assets of the Mareva Defendants held with the banks in any accounts, registered saving plans, safety deposit boxes, or other assets, or on credit on behalf of the Mareva Defendants, whether solely or jointly held, until further Order of the Court, including but not limited to the Accounts and Assets;

9. **THIS COURT ORDERS** that the Bank of Nova Scotia, Canadian International Bank of Commerce, Royal Bank of Canada, the Toronto-Dominion Bank, the Bank of Montreal, Citi Bank and all other Canadian Banks (hereinafter the “**Banks**”) forthwith disclose and deliver up to the Plaintiffs’ counsel any and all records held by the Banks concerning the Mareva Defendants’ Accounts and Assets, including the existence, nature, value and location of any monies or assets or credit, wherever situated worldwide, held on behalf of the Mareva Defendants by the Banks.

#### **Norwich Pharmacol Order – the Banks**

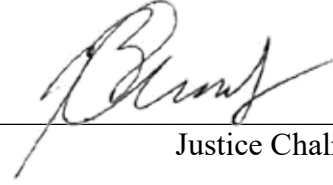
10. **THIS COURT ORDERS** that the Banks disclose and deliver up to the Plaintiff’s counsel, at the Mareva Defendants’ expense, within five (5) business days of the date of service of this Order, or such other date agreed, any and all records held by the Banks concerning the Assets and Accounts of the Mareva Defendants, and including records of the existence, nature, value and location of any funds or assets or credit, wherever situated, held by the Financial Institutions on behalf of the Mareva Defendants, whether solely or jointly held, including, but not limited to:

- (a) a list of all accounts, registered savings plans, safety deposit boxes, or other assets, and/or credit products now or formerly held;
  - (b) all account opening documentation, corporate resolutions, signature cards, and powers of attorney;
  - (c) the name(s) and contact information of the individual(s), sole proprietorship(s), partnership(s) and/or corporation(s) who or which opened and/or who or which hold the accounts and any other accounts of the Mareva Defendants;
  - (d) the current balances in all accounts;
  - (e) all monthly and/or periodic account statements from January 1, 2017, to the present;
  - (f) copies of all cheques, payment instruments, debit vouchers, wire transfer instructions, deposit records, transfer records or other documents relating to withdrawals, transfers or deposits from January 1, 2017, to the present;
  - (g) all applications for credit.
11. The Plaintiff shall pay the reasonable costs and expenses of the Banks incurred in complying with this Norwich order.

**Variation, Discharge or Extension of Order**

12. **THIS COURT ORDERS** that anyone served with or notified of this Order may apply to the Court at any time to vary or discharge this order, on five (5) days' notice to the Plaintiffs.
13. **THIS COURT ORDERS** that the Plaintiffs shall apply for an extension of this Order within ten (10) days hereof, failing which this Order will terminate.

14. **THIS COURT ORDERS** that the Court file for this motion, including the Motion Record, and the factum of the Plaintiffs, be sealed and not form part of the public record.

A handwritten signature in cursive script, appearing to read "Chalmers", is written above a horizontal line.

Justice Chalmers

**Schedule 1 – Mareva Defendants****Corporate Defendants**

1. Gold Stock Canada Inc. – Corporation # 1147664-5
2. Canada Gold Centre Inc. – Corporation # 1150392-8
3. Gold X Canada Inc. – Corporation # 1172703-6
4. Aarus Corporation – Corporation # 1257307-5
5. Aarus Holdings Inc. – Corporation # 870806-1
6. SG Traders Inc. – Corporation # 1405393-1
7. Gold Ingot Canada Inc. – Corporation # 1229278-5
8. Canada Precious Metals Refining Inc. – Corporation # 870804-5
9. Swiss Fine Gold Corporation – Corporation # 390208-1
10. Gold Stock Live

**Individual Defendants**

10. Usman Khalid – Date of Birth: July 1, 1991
11. Suleman Khalid -
12. Khalid Mahmood – Date of Birth: May 12, 1959
13. Adnan Khalid – Date of Birth: May 15, 1984
14. Rehman Khalid – Date of Birth: December 18, 1985

## Schedule 2 – Assets and Accounts

1. Account Holder: Gold Stock Canada Inc.  
 Account Holder Address: 55 Dundas Street East, 3<sup>rd</sup> Floor, Toronto, ON M5B 1C6  
 Name of Bank: Bank of Montreal  
 Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
 Account Number: 25924754443  
 Transit Number: 25922  
 Institution Number: 001
  
2. Account Name: Gold Stock Canada Inc.  
 Account Holder Address: 55 Dundas Street East, 3<sup>rd</sup> Floor, Toronto, ON M5B 1C6  
 Name of Bank: Bank of Montreal  
 Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
 Account Number: 1964-753  
 Transit Number: 25922  
 Institution Number: 001  
 Swift Code: BOFMCAM2
  
3. Account Name: Gold Stock Canada Inc.  
 Account Holder Address: 55 Dundas Street East, 3<sup>rd</sup> Floor, Toronto, ON M5B 1C6  
 Name of Bank: Bank of Montreal  
 Bank Address: 3993 HWY 7, Markham, ON L3R 5M6  
 Account Number: 4754-443  
 Transit Number: 25922  
 Institution Number: 001  
 Swift Code: BOFMCAM2
  
4. Property jointly owned by Usman Khalid and Khalid Mahmood:  
  
 Legal description: *PCL 83-3, SEC 65M2469 ; PT LT 83, PL 65M2469, PART 6 & 7, 65R10614, S/T PT 6, 65R10614 IN FAVOUR OF PT 5, 65R10614 AS IN LT388015; S/T LT388544, with PIN 02947-0042*
  
5. Property jointly owned by Adnan Khalid and Rehman Khalid:  
  
 Legal description: *PT E 1/4 OF LT 5 CON 7 KING AS IN R604361; TOWNSHIP OF KING with PIN 03363-0009*

Bryan Grant  
Plaintiffs

and

Usman Khalid, et. al.  
Defendants

Court File No: CV-22-00690949-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at **TORONTO**

**ORDER**

**SCOCCO LAW PROFESSIONAL  
CORPORATON**

1 First Street, Suite 220  
Collingwood, ON L9Y 1A1

**Rocco Giordano Scocco, LSO#.: 77806W**

E: [rocco@scoccolaw.ca](mailto:rocco@scoccolaw.ca)  
T: 647.243.5111 ext. 100  
F: 647.694.5393

**Anique NG Dublin, LSO#.: 81325F**

E: [anique@scoccolaw.ca](mailto:anique@scoccolaw.ca)  
T: 647.243.5111 ext. 101  
F: 647.694.5393

Lawyers for the Plaintiff

# EXHIBIT I

**A. O. SHINGLER & CO. LTD. | BAILIFFS***Specialists in the Recovery of Municipal Property Tax & Commercial Rent Arrears***To:**

11603531 Canada Inc.  
12910 7th Concession Rd.  
King City ON L7B 1K4

**Re: The City of Toronto****Property Taxes****55 Dundas St. E.****Toronto****Roll#: 1904-06-6-250-00100****Date: 19-Jan-23**

Dear Sir/Madam;

We are the appointed Bailiffs for The City of Toronto to obtain payment for the outstanding taxes on the above noted property.

Due to the severity of your property tax arrears, The City of Toronto may initiate the MUNICIPAL TAX SALE process in accordance with the City of Toronto Act. In order to avoid such action by the Municipality, we strongly recommend that you pay your account in full immediately.

We accept payment in the form of post-dated cheques, money orders, cash, or through internet banking or telephone banking.

Please contact our office as soon as possible to make arrangements for payment.

Regards,

  
Amanda Bell  
amanda@shinglerbailiffs.com  
A.O. Shingler & Co. Ltd.

Cc Bank of Montreal - mortgage #192068



**A. O. SHINGLER & CO. LTD. | BAILIFFS***Specialists in the Recovery of Municipal Property Tax & Commercial Rent Arrears***TAX STATEMENT****To:**11603531 Canada Inc.  
12910 7th Concession Rd.  
King City ON L7B 1K4**Re: The City of Toronto**Property Taxes  
55 Dundas St. E.  
Toronto**Roll#: 1904-06-6-250-00100****Date: 19-Jan-23****Last Payment**

Date	Year	Principal Tax	Penalties & Interest	Bailiff Fees	HST	Misc. Charges	Total
15-Feb-22	2020	\$0.00	\$9567.55	\$382.70	\$49.75	\$0.00	\$10000.00

**Balances**

Year	Warrant	Type	Principal Tax	Penalties & Interest	Bailiff Fees	HST	Misc. Charges	Total
2020	5-0305-22	T	\$108,552.45	\$21,901.14	\$5,218.19	\$678.41	\$0.00	\$136,350.19
2021	5-0306-22	W	\$8,423.87	\$2,041.51	\$418.59	\$54.45	\$0.00	\$10,938.42
2021	5-0307-22	W	\$3,270.24	\$694.89	\$158.66	\$20.59	\$0.00	\$4,144.38
2021	5-0308-22	T	\$104,695.49	\$26,205.51	\$5,236.07	\$680.74	\$0.00	\$136,817.81

**Total Now Due \$288,250.80****Due As Of February 1st \$291,189.67**

If the above taxes remain unpaid they are subject to further interest charges per month or portion thereof as determined by law until paid.

We accept payment by internet or telephone banking, cheque, money order, or bank draft.  
Please provide your property assessment roll number on your method of payment.

# EXHIBIT J



April 5, 2023

**Registered Mail and Email**  
**(adnan@goldstocklive.com and**  
**usman@goldstockcanada.com)**

11603531 Canada Inc.  
55 Dundas Street East, 3<sup>rd</sup> Floor  
Toronto, ON M5B 1C6

Attention: Adnan Khalid, Usman Khalid and  
Khalid Mahmood

**Tony Van Klink**  
Direct Line: 519.931.3509  
tvanklink@millerthomson.com

File: 0082754.0865

Dear Sirs:

**Re: Loans with Bank of Montreal (“BMO”)**

We are the lawyers for BMO in connection with the loans made by it to 11603531 Canada Inc. (the “**Borrower**”).

We refer to the loans (the “**Loans**”) made by BMO to the Borrower pursuant to a Letter of Agreement dated March 15, 2022 (the “**LOA**”) to finance the purchase of the property at 55 Dundas Street East, Toronto (the “**Property**”). The Loans are listed on Schedule A to this letter. We are advised by BMO that as of April 5, 2023 there was an outstanding balance on the Loans of \$7,272,561.82, the breakdown of which is on Schedule B to this letter.

The Borrower has failed to make required payments on the Loans and pay the municipal property taxes for the Property when due. The payments on the Loans are currently in arrears. As of February 1, 2023, the property tax arrears were \$291,189.67. The failure to make required payments on the Loans and pay the municipal property taxes when due are defaults under the security granted by the Borrower to BMO.

The Loans are payable on demand.

On behalf of BMO, we hereby give notice to the Borrower that BMO is exercising its right to demand immediate payment from the Borrower of the outstanding balance on the Loans in the amount of \$7,272,561.82, plus accruing interest thereon and all accrued and accruing costs.

Enclosed is a notice under section 244 of the *Bankruptcy and Insolvency Act* (the "**BIA Notice**"). This letter constitutes a demand for payment pursuant to the terms of the security documents listed in the BIA Notice.

Yours truly,



Tony Van Klink

Enclosure  
c. Leo Chun

**SCHEDULE A**

(Loans)

1. demand loan number 371290588003 ("**Loan No. 1**")
2. demand loan number 371290588004 ("**Loan No. 2**")

**SCHEDULE B**

(Outstanding balances as of April 5, 2023)

Loan No. 1

- Principal \$ 2,583,044.82
- Interest \$ 2,813.05

Loan No. 2

- Principal \$ 4,681,621.09
- Interest \$ 5,082.86

**NOTICE OF INTENTION TO ENFORCE SECURITY  
(SUBSECTION 244(1) OF THE BANKRUPTCY AND INSOLVENCY ACT)**

**TO:** 11603531 Canada Inc.,  
an Insolvent Person

**TAKE NOTICE THAT:**

1. **Bank of Montreal**, a secured creditor, intends to enforce its security on the property of the insolvent person, being:
  - (a) all properties, assets and undertakings of the insolvent person including, without limitation:
    - (i) all present and future personal property, whether tangible or intangible, and including, without limitation, all inventory, equipment, machinery, fixtures, accounts receivable, monies, choses in action, documents of title, securities, and any and all proceeds derived from any dealing therewith;
    - (ii) the real property located at 55 Dundas Street East, Toronto (the “**Real Property**”) and legally described as PT LT 21 W/S BOND ST, 22 W/S BOND ST PL 22A TORONTO AS IN CA734266; T/W CA734266; CITY OF TORONTO (PIN 21098-0106); and
    - (iii) the leases and rents for the Real Property.
2. The security that is to be enforced is in the form of:
  - (a) General Security Agreement dated October 3, 2019;
  - (b) Charge/mortgage registered in the Toronto Land Titles/Registry Office (LRO # 66) as number AT5264337; and
  - (c) General Assignment of Rents registered in the Toronto Land Titles/Registry Office (LRO # 66) as number AT5264338.
3. The total amount of indebtedness secured by the security is \$7,272,561.82 on account of principal and interest as at April 5, 2023, together with accruing interest and costs.

- 2 -

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

**DATED** at London, Ontario this 5th day of April, 2023.

**BANK OF MONTREAL**

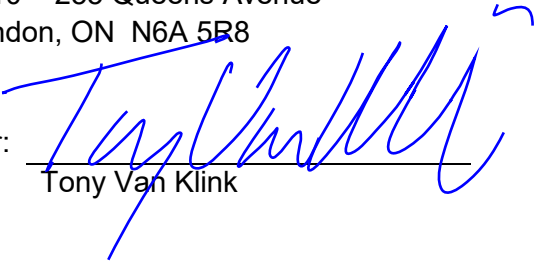
By its Solicitors

Miller Thomson LLP

2010 – 255 Queens Avenue

London, ON N6A 5R8

Per:

  
Tony Van Klink



# EXHIBIT K

**FORBEARANCE AGREEMENT**

**THIS AGREEMENT** made as of the \_\_\_\_ day of April, 2023.

**AMONG:**

**BANK OF MONTREAL**, a Canadian chartered bank having an office at 100 King Street West, 19<sup>th</sup> Floor, Toronto, Ontario

(hereinafter called the “**Bank**”)

**OF THE FIRST PART**

- AND –

**11603531 CANADA INC.**, a corporation formed under the laws of Canada and having its registered head office in King City, Ontario

(hereinafter called the “**Borrower**”)

**OF THE SECOND PART**

- AND –

**GOLD STOCK CORPORATION**, a corporation formed under the laws of Ontario and having its registered head office in Toronto, Ontario

(hereinafter called the “**Corporate Guarantor**”)

**OF THE THIRD PART**

- AND –

**KHALID MAHMOOD** and **ADNAN KHALID**, individuals resident in King City, Ontario and the principals of the Borrower

(hereinafter called the “**Personal Guarantors**”)

**OF THE FOURTH PART**

**RECITALS**

1. The Borrower owns the real property located at 55 Dundas Street East, Toronto, Ontario (the “**Property**”).
2. Pursuant to a Letter of Agreement dated March 15, 2022 (as amended, modified, supplemented, extended, renewed or restated prior to the date hereof, the “**Letter of Agreement**”), the Bank advanced to the Borrower the loans described on **Schedule A** (the “**Loans**”) to finance the purchase of the Property.

3. The Corporate Guarantor and the Personal Guarantors (collectively, the “**Guarantors**”) have signed the guarantees described on **Schedule B** (the “**Guarantees**”) for the liabilities of the Borrower to the Bank.
4. The Borrower and the Corporate Guarantor have provided to the Bank the security documents described on **Schedule C** (the “**Security**”) to secure their liabilities to the Bank.
5. The Borrower has breached the terms of the Letter of Agreement, including
  - (a) failing to make required payments on the Loans; and
  - (b) failing to pay the municipal property taxes for the Property when due.(the “**Covenant Breaches**”).
6. The Loans are payable on demand.
7. On April 5, 2023 the Bank exercised its right to demand payment of the Loans from the Borrower (the “**Borrower Demand for Payment**”), demanded payment from the Guarantors pursuant to the Guarantees (the “**Guarantors’ Demands for Payment**”), and gave notice (the “**s. 244 Notice**”) to the Borrower and the Corporate Guarantor pursuant to section 244 (1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) of the Bank’s intention to enforce the Security.
8. The Borrower has advised the Bank that it is making efforts to refinance the Loans (the “**Refinancing Efforts**”).
9. The Borrower and the Guarantors have requested that the Bank forbear from exercising its rights and remedies against them and under the Security to allow the Borrower to complete the Refinancing Efforts and repay the Loans in an orderly fashion.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that for good and valuable consideration, the receipt and sufficiency of which is acknowledged, and in consideration of the mutual terms herein set forth, the parties hereto agree as follows:

**1.0 Acknowledgment of Amounts Outstanding on Loans and Liability to Pay**

1.1 The Borrower acknowledges and confirms to the Bank as follows:

- (a) it received the Borrower Demand for Payment and s. 244 Notice;

- (b) as of April 5, 2023, \$7,272,561.82 (the “**Outstanding Balance**”) was outstanding for principal and interest on the Loans as set forth in the Borrower Demand for Payment;
- (c) the Outstanding Balance, plus accrued and accruing interest thereon, is unconditionally owing by the Borrower to the Bank without set off or counterclaim;
- (d) it does not dispute on any grounds whatsoever its liability to pay the Outstanding Balance, and in the event of an Enforcement Action (as defined in Section 5.1) by the Bank, it will not dispute its liability to pay the Outstanding Balance, plus accrued and accruing interest thereon; and
- (e) but for the terms of this Agreement, the Bank would be entitled to enforce the Security.

1.2 The Guarantors acknowledge and confirm to the Bank as follows:

- (a) they have received the Guarantors’ Demands for Payment; and
- (b) they do not dispute on any grounds whatsoever their liability under the Guarantees (or to make payment under the Guarantees in accordance with the Guarantors’ Demands for Payment) and their liability to the Bank shall not be reduced, released, diminished or in any manner affected by the terms of this Agreement or any actual forbearance by the Bank in taking any Enforcement Action.

## 2.0 **Release**

2.1 The Borrower and the Guarantors acknowledge and agree that, as of the date hereof, they have no causes of action, disputes or claims for damages, set off or counterclaim (collectively, the “**Claims**”) against the Bank, its officers, directors, employees and agents on any basis whatsoever including, without limitation, any Claims related to or in any manner connected with the Loans, the administration of the Borrower’s accounts with the Bank or the Security and if there are any Claims with respect to any matter which relate(s) to the period to the date hereof, they are hereby forever released and discharged.

### **3.0 Confirmation of Letter of Agreement and Security**

- 3.1 The Borrower acknowledges and confirms that the Letter of Agreement and Security remain in effect and, in the event of an Enforcement Action by the Bank, it will not dispute the validity or enforceability of the Letter of Agreement and the Security.
- 3.2 The Corporate Guarantor acknowledges and confirms that the Security remains in effect and, in the event of an Enforcement Action by the Bank, it will not dispute the validity or enforceability of the Security.

### **4.0 Accuracy of Recitals**

- 4.1 The parties acknowledge and confirm that the recitals to this Agreement are true and accurate in all material respects.

### **5.0 Forbearance**

- 5.1 Subject to and on the terms and conditions in this Agreement, the Bank agrees to forbear from any Enforcement Action from the Forbearance Effective Time (as defined in section 18.1 below) until the earlier of (a) 5:00 p.m. on May 31, 2023, and (b) the occurrence of one or more Forbearance Termination Events (as defined in section 12.1 below), unless waived by the Bank, in writing, (such period, including any extension of such period which may be given by the Bank pursuant to section 6.4 below, being hereafter referred to as the "**Forbearance Period**"). "**Enforcement Action**" means the commencement of power of sale, foreclosure or other judicial or private sale proceedings, appointing or obtaining the appointment of a receiver, a manager or a receiver and manager, or other person having similar powers, the taking possession or control of any property or undertaking, commencing any action or proceeding seeking payment or recovery of all or any part of any indebtedness or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to the Bank under the Security or otherwise at law or in equity, including without limitation, any bankruptcy proceedings.
- 5.2 The Borrower and the Guarantors acknowledge that notwithstanding the grant of forbearance by the Bank,
- (a) the Borrower Demand for Payment, the s. 244 Notice and the Guarantors' Demands for Payment (collectively, the "**Demands for Payment**") have not been withdrawn; and

- (b) the ten (10) day period in the s. 244 Notice and the time period to satisfy the Demands for Payment has expired and nothing in this Agreement shall have the effect of, or shall be construed as, extending same.

**6.0 Repayment of Loans**

- 6.1 The Loans, together with the Professional Fees (as hereafter defined) and all other charges, fees, interest and expenses owing by the Borrower to the Bank, shall be repaid in full by the conclusion of the Forbearance Period.
- 6.2 During the Forbearance Period the Borrower shall not be required to make any principal payments on the Loans.
- 6.3 It is contemplated that the Loans will be repaid by the Borrower refinancing the Property. During the Forbearance Period, the Borrower will diligently pursue the Refinancing Efforts. The Borrower agrees to keep the Bank updated on the status of the Refinancing Efforts, including bi-weekly written updates (including names of potential lenders contacted and responses received) commencing April 28, 2023. The Borrower shall advise the Bank upon receipt by it of all commitment letters/term sheets and discussion papers as and when received from prospective lenders and shall provide copies of same to the Bank unless prohibited from doing so pursuant to any confidentiality provisions contained therein.
- 6.4 Provided the Forbearance Period has not concluded as a result of the occurrence of a Forbearance Termination Event, if by 5:00 p.m. on May 31, 2023 the Borrower has been unable to fully repay the Loans but has obtained and provided to the Bank a written term sheet or offer letter containing standard conditions precedent to closing (including without limitation, settling definitive documents and internal credit approvals) which, when completed, will enable the Borrower to fully repay the Loans by no later than June 30, 2023, the Forbearance Period shall thereupon be extended to June 30, 2023.

**7.0 Cancellation of Corporate Guarantor's MasterCard Facility**

- 7.1 The Corporate Guarantors' MasterCard facility shall be cancelled effective upon the signing of this Agreement and the outstanding balance thereon shall be paid within seven (7) days thereafter.

**8.0 Acknowledgment Regarding Future Credit**

8.1 The Borrower acknowledges and agrees that the Bank has not agreed, and is not obligated, to extend any further or additional credit to the Borrower.

**9.0 Interest Rates**

9.1 During the Forbearance Period, interest on the Loans at the same rates as chargeable immediately prior to the Forbearance Effective Time will continue to accrue and be payable in accordance with the terms and conditions existing immediately prior to the Forbearance Effective Time. In addition, from and after the Forbearance Effective Time until the Loans are repaid, additional interest at the rate of 3% per annum shall accrue on the outstanding balances on the Loans and shall be payable the earlier of (i) the full repayment of the Loans, and (ii) the conclusion of the Forbearance Period.

**10.0 Covenant Breaches**

10.1 The Borrower acknowledges the Covenant Breaches and agrees that the Bank has not waived the Covenant Breaches or any and all rights that flow from or arise by virtue of same and nothing in this Agreement constitutes or shall be deemed or implied to be a waiver by the Bank of the Covenant Breaches or any and all rights which flow from same, provided that the Bank shall forbear from the taking of any Enforcement Action by reason of the Covenant Breaches as provided for in this Agreement.

**11.0 Conclusion of Forbearance Period**

11.1 Upon the conclusion of the Forbearance Period, the Bank shall be under no obligation to continue to forbear from any Enforcement Action. Upon the conclusion of the Forbearance Period, the Bank shall be entitled, in its sole discretion, to immediately and without further notice exercise its rights and remedies against the Borrower, the Guarantors and under the Security for repayment of the Loans, including any Enforcement Action. The Borrower and the Guarantors agree that they will not oppose any Enforcement Action by the Bank, including, without limitation, any application (a "**Receivership Application**") by the Bank to the Ontario Superior Court of Justice for the appointment of a receiver or receiver and manager in respect of the collateral subject to the Security, including the Property. The Borrower and the Corporate Guarantor irrevocably consent to an order appointing a receiver and manager in respect of their assets, undertakings and properties upon the conclusion of the Forbearance Period in the

form of the model receivership order established by the Commercial Court users committee and irrevocably waive any requirement for service of the Receivership Application.

- 11.2 In the event of the taking of any Enforcement Action by the Bank following the conclusion of the Forbearance Period, the Borrower and the Guarantors agree to co-operate with and fully assist the Bank, or any receiver or receiver and manager appointed at the instance of the Bank, in the enforcement of the Security and the realization of the assets, undertakings and properties subject to the Security.
- 11.3 In the event that the Bank does not take any Enforcement Action immediately upon the conclusion of the Forbearance Period, by continuing to forbear the Bank shall not be deemed to have (a) waived the Bank's rights to take Enforcement Action at any time after the conclusion of the Forbearance Period, or (b) waived any Forbearance Termination Event which gave rise to the conclusion of the Forbearance Period.

## **12.0 Forbearance Termination Events**

12.1 The following shall be Forbearance Termination Events hereunder:

- (a) if the Borrower defaults in the performance of any obligation or covenant in this Agreement, other than the continuation of any existing defaults as at the date of this Agreement of which the Bank has knowledge;
- (b) there occurs an event of default under the Letter of Agreement or the Security, other than the continuation of any existing event of default as at the date of this Agreement of which the Bank has knowledge; and
- (c) a material adverse change in the assets, liabilities or condition (financial or otherwise) of the Borrower and/or the Corporate Guarantor has occurred.

## **13.0 No Transferring or Further Encumbering of Assets without Bank Consent**

13.1 The Borrower and the Guarantors shall not sell, lease dispose of, or further encumber any part of their assets out of the ordinary course of business without the prior written consent of the Bank.



**14.0 Environmental Compliance**

14.1 The Borrower shall forthwith provide to the Bank any correspondence received by the Borrower from the Ministry of the Environment and Climate Change or any other regulatory authority in connection with environmental matters affecting or relating to the Property.

**15.0 Waiver of Right to Seek Creditor Protection**

15.1 The Borrower acknowledges and agrees that the purpose and intent of this Agreement is to provide the Borrower with an opportunity to complete the Refinancing Efforts and repay the Loans in an orderly manner. The Borrower acknowledges and agrees that if the Loans have not been fully repaid by the conclusion of the Forbearance Period, unless otherwise hereafter agreed by the Bank in writing, the Bank should not be further delayed in the exercise of the rights and remedies available to it under the Security (including the taking of any Enforcement Action) by the Borrower making a filing or seeking any protection (including a stay of proceedings) pursuant to the *BIA* or otherwise at law or in equity (a “**Filing**”). For so long as they are indebted to the Bank for any amount, the Borrower and Corporate Guarantor agree that in the event of a Filing:

- (a) the Bank shall be an unaffected creditor in such Filing;
- (b) they shall not seek a stay of proceedings as against the Bank and the Bank will not be affected by any stay or any other order made in such proceedings unless otherwise expressly agreed by the Bank in writing;
- (c) this Agreement will continue to bind the Borrower and Corporate Guarantor;
- (d) they irrevocably consent to the variation of any stay or order in the Filing which would purport to affect the Bank; and
- (e) they will not make or support any application which would have the effect of altering the terms of this Agreement or the Security or creating any charge ranking in priority to the Security or in priority to any other rights of the Bank.

**16.0 Tolling of Limitation Period**

16.1 Continuing until the conclusion of the Forbearance Period, the Bank, the Borrower and the Guarantors hereby agree to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the

Credit Facilities, the Security, the Guarantee and any entitlements arising from the Loans, the Guarantees or the Security and any other related matters, and each of the parties confirm that this Agreement is intended to be an agreement to suspend or extend the basic limitation period provided by s. 4 of the *Limitations Act, 2002 (Ontario)* as well as the ultimate limitation period provided by s. 15 of the *Limitations Act, 2002 (Ontario)* in accordance with the provisions of s. 22(3) of the *Limitations Act, 2002 (Ontario)* and is a business agreement in accordance with the provisions of s. 22(5) of the *Limitations Act, 2002 (Ontario)* and any contractual time limitations on the commencement of proceedings, any claims or defences based upon the application of any statute of limitations, contractual limitations, or any time related doctrine including waiver, estoppel or laches are hereby suspended.

- 16.2 The tolling provisions of this Forbearance Agreement will terminate upon either party providing the other with 60 days written notice of an intention to terminate the tolling provisions hereof, or upon the delivery by the Bank of a fresh demand for payment of the Loans following the expiry of the Forbearance Period (and for greater certainty the tolling provisions shall not automatically expire upon the expiry or termination of the Forbearance Period) and upon termination of the tolling provisions, and the time provided for under any statutes of limitations, laches, or any other doctrines related to the passage of time in relation to the Loans, the Guarantees, the Security or any entitlements arising from the Loans, the Guarantees or the Security and any other related matters, will recommence running as of the effective date of the termination of these tolling provisions, and for greater certainty the time during which the limitation period is suspended pursuant to the tolling provisions of this Forbearance Agreement shall not be included in the computation of any limitation period.

## **17.0 Administration and Forbearance Fee**

- 17.1 To help offset the additional costs associated with the administration and management of the Loans and the Borrower's account following the transfer to the Bank's special accounts management unit and in consideration of the Bank's agreement to forbear as provided for in this Agreement, the Borrower shall pay to the Bank a one-time administration/forbearance fee in the amount of \$5,000 (the "**Initial Fee**"), plus an additional \$2,500 (the "**Extension Fee**") in the event that the Loans are not fully repaid by 5:00 p.m. on May 31, 2023 and the Forbearance Period is extended to June 30, 2023 pursuant to section 6.4 of this Agreement. The Initial Fee shall be fully earned on the

execution of this Agreement by the Borrower and shall be payable upon the earlier of (i) the repayment of the Loans, and (ii) the conclusion of the Forbearance Period. The Extension Fee shall be fully earned upon the Bank granting an extension of the Forbearance Period pursuant to section 6.4 of this Agreement and shall be payable upon the earlier of (i) the repayment of the Loans, and (ii) the conclusion of the Forbearance Period.

**18.0 Conditions Precedent**

18.1 This Agreement shall become effective (the “**Forbearance Effective Time**”) upon the Bank having received by no later than 5:00 p.m. on April 19, 2023 counterparts of this Agreement duly executed and delivered by each of the Borrower and the Guarantors.

**19.0 Independent Legal Advice**

19.1 The Borrower and the Guarantors acknowledge that they have obtained, or had the opportunity to obtain, independent legal advice with respect to entering into this Agreement and have read this Agreement in its entirety, understand its contents and are signing this Agreement freely and voluntarily, without duress or undue influence from any party.

**20.0 Miscellaneous**

20.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. The Borrower and the Guarantors acknowledge and agree that except as herein expressly stated, no representation, statement, understanding, promise, warranty or collateral agreement, either oral or in writing, has been made or exists relating to this agreement or to induce the Borrower or the Guarantors to enter into this Agreement.

20.2 No modification or amendment of this Agreement shall be effective unless in writing and signed by all parties to this Agreement.


20.3 The Borrower and the Guarantors agree that they will from time to time upon every reasonable request of the Bank do, execute or cause to be made, done or executed all such further and other lawful acts, deeds, things, devices, documents and assurances whatsoever for the better effecting of the provisions of this Agreement in accordance with its true intent.

- 20.4 This Agreement shall be binding upon the parties and each of their respective successors and assigns.
- 20.5 Time will, in all respects, be of the essence in this Agreement, and no extension of time or variation of any term of this Agreement will operate as a waiver of this provision.
- 20.6 Save and except as amended hereby, all terms and conditions of the Letter of Agreement, Security and Loans remain in full force and effect.
- 20.7 The Borrower agrees that the Bank shall have no obligation to discharge the Security, or any part thereof, until the Loans and all charges, fees, interest and expenses owing by the Borrower to the Bank have been indefeasibly paid and satisfied in full.
- 20.8 All references in this Agreement to dollars or to "\$" are references to Canadian currency unless otherwise specifically indicated.
- 20.9 The Borrower agrees to pay all reasonable legal, consultant, appraisal and other professional fees and disbursements (collectively, "**Professional Fees**") incurred and to be incurred by the Bank with respect to the Loans and the Borrower's accounts, including the legal costs incurred by the Bank both before and after the date of this Agreement. The Professional Fees shall be secured by the Security until paid.
- 20.10 This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Transmission by facsimile or electronic transmission in PDF format of an executed copy of this Agreement shall be deemed to and constitute due and sufficient delivery of such counterpart.


**[Signature page follows]**

**IN WITNESS WHEREOF** the parties hereto have executed this agreement as of the date first above written.


**BANK OF MONTREAL**

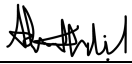
Per:   
Leo Chun, Account Manager  
I have authority to bind the Bank

**11603531 CANADA INC.**

Per:   
Name: Adnan Khalid  
Title: President  
I have authority to bind the Company

**GOLD STOCK CORPORATION**

Per:   
Name: Adnan Khalid  
Title: President  
I have authority to bind the Company

  
**ADNAN KHALID**

  
**KHALID MAHMOOD**

**SCHEDULE A**

(Loans)

1. demand loan number 371290588003
2. demand loan number 371290588004

**SCHEDULE B**

(Guarantees)

1. Guarantee dated May 12, 2022 in the principal amount of \$7,600,000 signed by the Personal Guarantors
2. Guarantee dated May 12, 2022 in the principal amount of \$7,600,000 signed by the Corporate Guarantor

**SCHEDULE C**

(Security)

Security granted by Borrower

1. General Security Agreement dated October 3, 2019
2. Charge/mortgage registered in the Toronto Land Titles/Registry Office (LRO # 66) as number AT5264337
3. General Assignment of Rents registered in the Toronto Land Titles/Registry Office (LRO # 66) as number AT5264338

Security granted by Corporate Guarantor

4. General Security Agreement dated October 3, 2019



# EXHIBIT L

**FORBEARANCE EXTENSION AGREEMENT**

**THIS AGREEMENT** made as of June 30, 2023.

**AMONG:**

**BANK OF MONTREAL**, a Canadian chartered bank having an office at 100 King Street West, 19<sup>th</sup> Floor, Toronto, Ontario

(hereinafter called the “**Bank**”)

**OF THE FIRST PART**

- AND –

**11603531 CANADA INC.**, a corporation formed under the laws of Canada and having its registered head office in King City, Ontario

(hereinafter called the “**Borrower**”)

**OF THE SECOND PART**

- AND –

**GOLD STOCK CORPORATION**, a corporation formed under the laws of Ontario and having its registered head office in Toronto, Ontario

(hereinafter called the “**Corporate Guarantor**”)

**OF THE THIRD PART**

- AND –

**KHALID MAHMOOD** and **ADNAN KHALID**, individuals resident in King City, Ontario and the principals of the Borrower

(hereinafter called the “**Personal Guarantors**”)

**OF THE FOURTH PART**

**RECITALS**

1. The parties have previously entered into a Forbearance Agreement made as of the \_\_\_\_ day of April, 2023 (the “**Forbearance Agreement**”).
2. Capitalized terms in this Agreement have the same meaning as in the Forbearance Agreement.
3. The Forbearance Period expires at 5:00 p.m. on June 30, 2023.

4. The Borrower and the Guarantors have requested, and the Bank has agreed, that the Forbearance Period be extended on the terms of this Agreement.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that for \$1.00 and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and in consideration of the mutual terms herein set forth, the parties hereto agree as follows:


1. The Borrower acknowledges and confirms to the Bank as follows:
  - (a) as of June 30, 2023, \$7,354.041.20 (the “**Outstanding Balance**”) was outstanding for principal and interest on the Loans as shown on Schedule A;
  - (b) the Outstanding Balance is unconditionally owing by the Borrower to the Bank without set off or counterclaim;
  - (c) it does not dispute on any grounds whatsoever its liability to pay the Outstanding Balance, and in the event of an Enforcement Action by the Bank, it will not dispute its liability to pay the Outstanding Balance, plus accruing interest thereon;
  - (d) the Security remains in effect and, in the event of an Enforcement Action by the Bank, it will not dispute the validity or enforceability of the Security; and
  - (e) but for the extension of the Forbearance Period as provided for in this Agreement, the Bank would be entitled to enforce the Security.
2. The Guarantors acknowledge and confirm to the Bank as follows:
  - (a) they do not dispute on any grounds whatsoever their liability under the Guarantees (or to make payment under the Guarantees in accordance with the Guarantors’ Demands for Payment) and their liability to the Bank shall not be reduced, released, diminished or in any manner affected by the terms of this Agreement, including the extension of the Forbearance Period as provided for herein and any actual continued forbearance by the Bank in taking any Enforcement Action.
3. Subject to the terms hereof, the Forbearance Period is hereby extended to the earlier of (a) 5:00 p.m. on August 31, 2023, and (b) the occurrence of one or more Forbearance Termination Events.

4. The Borrower and the Guarantors acknowledge that notwithstanding the extension of the Forbearance Period as provided for herein,
  - (a) the Borrower Demand for Payment, the s.244 Notice and the Guarantors' Demands for Payment have not been withdrawn; and
  - (b) the ten (10) day period in the s. 244 Notice and the time period to satisfy the Demands for Payment have expired and nothing in this Agreement shall have the effect of, or shall be construed as, extending same.
5. In consideration of the extension of the Forbearance Period, the Borrower shall pay to the Bank a one-time extension fee in the amount of \$15,000 (the "**Second Extension Fee**"). The Second Extension Fee is in addition to the Initial Fee and the Extension Fee, shall be fully earned on the execution of this Agreement by the Borrower and shall be payable upon the earlier of (i) the repayment of the Loans, and (ii) the conclusion of the Forbearance Period.
6. Save and except as amended by this Agreement, all terms and conditions in the Forbearance Agreement remain in full force and effect.
7. This Agreement shall be binding upon the parties hereto and each of their respective successors and assigns.
8. Time will, in all respects, be of the essence in this Agreement and no extension of time or variation of any term of this Agreement will operate as a waiver of this provision.
9. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Transmission by facsimile or electronic transmission in PDF format of an executed copy of this Agreement shall be deemed to and constitute due and sufficient delivery of such counterpart.


**[Signature page follows]**

**IN WITNESS WHEREOF** the parties hereto have executed this agreement as of the date first above written.


**BANK OF MONTREAL**

Per:   
Leo Chun, Account Manager  
I have authority to bind the Bank

**11603531 CANADA INC.**

Per:   
Name: Adnan Khalid  
Title: President  
I have authority to bind the Company

**GOLD STOCK CORPORATION**

Per:   
Name: Adnan Khalid  
Title: President  
I have authority to bind the Company



**ADNAN KHALID**

*Khalid Mahmood*  
**KHALID MAHMOOD**

**SCHEDULE A**

(Outstanding Balance)

Demand Loan Account No. 371290588003

- Principal - \$2,583,044.82
- Interest - \$ 16,704.87
- Additional Interest<sup>1</sup> - \$ 15,073.66

Demand Loan Account No. 371290588004

- Principal - \$4,681,621.09
- Interest - \$ 30,276.62
- Additional Interest - \$ 27,320.14

---

<sup>1</sup> Amount payable pursuant to section 9.1 of the Forbearance Agreement.

# EXHIBIT M

---

**From:** Van Klink, Tony <tvanklink@millerthomson.com>  
**Sent:** Thursday, August 10, 2023 1:09 PM  
**To:** Howard Manis  
**Cc:** CHUN, LEO  
**Subject:** 11603531 Canada [MTDMS-Legal.FID11830799]

Howard,

Your client has asked BMO for a further two month extension of the forbearance period. The forbearance period will not be further extended unless a firm financing commitment is in hand which will see the BMO loans repaid in a timely manner.

The demand for payment was made on April 5. At that time, your client was in discussions with RBC for refinancing. BMO agree to forbear until May 31 to allow those discussions to continue. By the end of May, the RBC financing had not materialized, but the discussions were continuing. The forbearance period was extended to August 31 to give your client additional time to complete those discussions or find a different lender.

The most recent update provided by your client to BMO indicates that the RBC financing will only yield \$5.3 million, if RBC agrees to proceed (which it has not yet committed to do). The BMO indebtedness at the date of demand was \$7,272,000. Under the terms of the Forbearance Agreement, your client has not been making any principal payments during the forbearance period. The RBC financing, even if completed, will not yield sufficient funds to repay the BMO indebtedness.

By the end of August, your client will have been given almost five months to find other financing. BMO has lost confidence that your client will be able to refinance the property even if additional time is provided.

In the circumstances, BMO will not be extending the forbearance period unless your client is able to obtain before August 31 a firm financing commitment to fully repay the BMO indebtedness in a timeframe acceptable to BMO. Failing same, BMO will be proceeding with the enforcement of its security.

**TONY VAN KLINK**  
Partner

**Miller Thomson LLP**  
One London Place  
255 Queens Avenue, Suite 2010  
London, Ontario N6A 5R8  
**Direct Line:** +1 519.931.3509  
**Cell:** +1 519.636.7425  
**Email:** [tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)  
[millerthomson.com](http://millerthomson.com)

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# EXHIBIT N

---

**From:** Van Klink, Tony <tvanklink@millerthomson.com>  
**Sent:** Wednesday, August 16, 2023 1:48 PM  
**To:** Howard Manis  
**Cc:** CHUN, LEO; Usman  
**Subject:** RE: Update [MTDMS-Legal.FID11830799]

Howard,

As previously advised, for BMO to consider a further extension of the forbearance period, a firm commitment must be in hand by August 31 for the full repayment of the BMO indebtedness. A non-binding discussion paper from BDC for part of the indebtedness and indicating that your client is “arranging the balance” without any details of what those arrangements are or to demonstrate that the additional funds will be available is not good enough. The BMO loans were demanded on April 5. By the end of this month, your client will have had almost 5 months to refinance the property, or to at least have arranged committed financing. BMO is not prepared to delay further from the enforcement of its security without being satisfied that your client is able to refinance the property and fully repay the BMO indebtedness in a timely manner.

As each day passes, the BMO indebtedness continues to increase with the 3% PIK interest payable under section 9.1 of the Forbearance Agreement. Earlier this year, there were substantial property tax arrears owing. My office has this morning ordered a current property tax certificate to ascertain the current status of the property taxes. With rising interest rates, the commercial real estate market is being adversely affected. You may have seen the report in this morning’s G&M regarding Romspen further cutting its distributions to unit holders because of stress in the real estate market. The market may improve over the coming months, but it may also worsen. That is not a risk that BMO is required to take.

**TONY VAN KLINK**  
Partner

**MILLER THOMSON LLP**  
One London Place  
255 Queens Avenue, Suite 2010  
London, Ontario | N6A 5R8  
**T** +1 519.931.3509  
**C** +1 519.636.7425  
[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)

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**From:** Howard Manis <[hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)>  
**Sent:** Wednesday, August 16, 2023 10:59 AM  
**To:** Van Klink, Tony <[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)>  
**Cc:** CHUN, LEO <[LEO.CHUN@bmo.com](mailto:LEO.CHUN@bmo.com)>; Usman <[usman@goldstockcanada.com](mailto:usman@goldstockcanada.com)>  
**Subject:** RE: Update [MTDMS-Legal.FID11830799]

Tony,

We have spoken our with our client at length.

Our client is arranging the balance owing to BMO beyond the sum to be advanced by BDC so that on closing the BMO debt would be repaid in full.

Attached please find the updated Discussion Paper received from BDC yesterday.

However, given the need for an environmental assessment, we will need more time.

Accordingly, we seek a further extension to October 31, 2023 to repay your client in full.

Please seek instructions as we are hopeful for agreement on a final extension.

We await hearing from you.

Howard



**Howard F. Manis**  
**MANIS LAW**  
• Bankruptcy & Insolvency • Commercial & Civil Litigation • Corporate Law  
(416) 417-7257  
[hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)  
[www.ManisLaw.ca](http://www.ManisLaw.ca)  
2300 Yonge Street, Suite 1600, Toronto, Ontario, M4P 1E4 Canada

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---

**From:** Van Klink, Tony <[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)>  
**Sent:** Tuesday, August 15, 2023 11:10 AM  
**To:** Howard Manis <[hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)>  
**Cc:** CHUN, LEO <[LEO.CHUN@bmo.com](mailto:LEO.CHUN@bmo.com)>  
**Subject:** FW: Update [MTDMS-Legal.FID11830799]

Howard,

The email below and attached Discussion Paper from BDC were provided by your client to BMO on **185** Friday. BDC requires a first mortgage over the property. The proposal below would require BMO to take a second position for the remaining balance, which is not acceptable. BMO requires its loans to be repaid in full. Unless your client has a firm commitment in hand by the end of the month to do so, BMO will be proceeding with the enforcement of its security.

**TONY VAN KLINK**  
Partner

**MILLER THOMSON LLP**  
One London Place  
255 Queens Avenue, Suite 2010  
London, Ontario | N6A 5R8  
**T** +1 519.931.3509  
**C** +1 519.636.7425  
[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)

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**From:** Usman <[usman@goldstockcanada.com](mailto:usman@goldstockcanada.com)>  
**Sent:** Friday, August 11, 2023 7:53:35 PM  
**To:** CHUN, LEO <[LEO.CHUN@bmo.com](mailto:LEO.CHUN@bmo.com)>  
**Cc:** adnan <[adnan@goldstocklive.com](mailto:adnan@goldstocklive.com)>  
**Subject:** RE: Update

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

Hi Leo,

We are working with BDC as mentioned previous update BDC has offered discussion paper to us. Please find the paper for you to review as we are signing off the discussion paper by Tuesday the latest and will either inject equity into the deal to move the mortgage over from BMO .

we can move \$ 6,200,000 mortgage from BMO to BDC so we take some of the headaches from BMO and if you can grant us additional time to either come with difference 1.3 M or BMO can put small interest only loan along with BDC on the property as the appraised value is 12,750,000.00 which has enough equity for BMO and BDC combined.

We are positioned to get this done with BDC and RBC will get back to me again with their final say by Tuesday .

Let me know I like to discuss this with you on Monday.

Thank you,

**Usman Khalid**

# EXHIBIT O

---

**From:** Usman <[usman@goldstockcanada.com](mailto:usman@goldstockcanada.com)>  
**Sent:** Friday, August 25, 2023 10:58:37 PM  
**To:** CHUN, LEO <[LEO.CHUN@bmo.com](mailto:LEO.CHUN@bmo.com)>  
**Cc:** adnan <[adnan@goldstocklive.com](mailto:adnan@goldstocklive.com)>; Hmanis <[hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)>  
**Subject:** Update

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

Hi Leo,

We are approaching our deadline very soon and would request you to kindly extend the forbearance agreement to October 31,2023 as we are seeing positive results from BDC and private lending.

We had offer for 8.3 M @12% interest rate to clear all BMO debt and clear off all the property taxes owned to the city the private lender can do the transaction very quickly and easily without the heavy due diligence verse banks however the drawn back of the private lending are the fees which are upwards of 300k , and upfront monthly payments which will be take off you can contact the private lender directly +1 (416) 476-7829 name is Steven.

We have had lengthy conversations with the private lender and advise them of our priority is to get first funding thru BDC and if BDC doesn't fall thru for any reason we will initiate the process immediately with them and get funded before our new deadlines of October 31,2023.

RBC had used majority of our time with over promising and we have taken many measures now to ensure we don't run into this issue again.

We are requesting the extension for one last time to get this resolved by October 31,2023 should we fail to do so we will not request any more extensions and let the bank initiate the security over the property.

Looking forward to hearing from you .

Thank you,

**Usman Khalid**  
| Senior Accounts Manager |

Gold Stock Canada Inc. Precious Metal Dealer and Refiner

188

| Toronto: [1-416-504-4653](tel:1-416-504-4653) | T Fax: [1-416-504-6706](tel:1-416-504-6706) | Cell : [1-647-400-5067](tel:1-647-400-5067) |

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# EXHIBIT P



---

**From:** Van Klink, Tony <tvanklink@millerthomson.com>  
**Sent:** Monday, August 28, 2023 10:32 AM  
**To:** Howard Manis  
**Cc:** CHUN, LEO  
**Subject:** FW: Update [MTDMS-Legal.FID11830799]

Howard,

The below email was sent to BMO on Friday afternoon. As advised previously, the forbearance period will not be extended and will expire on August 31.

**TONY VAN KLINK**  
Partner

**MILLER THOMSON LLP**  
One London Place  
255 Queens Avenue, Suite 2010  
London, Ontario | N6A 5R8  
**T** +1 519.931.3509  
**C** +1 519.636.7425  
[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)

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**From:** Usman <[usman@goldstockcanada.com](mailto:usman@goldstockcanada.com)>  
**Sent:** Friday, August 25, 2023 10:58:37 PM  
**To:** CHUN, LEO <[LEO.CHUN@bmo.com](mailto:LEO.CHUN@bmo.com)>  
**Cc:** adnan <[adnan@goldstocklive.com](mailto:adnan@goldstocklive.com)>; Hmanis <[hmanis@manislaw.ca](mailto:hmanis@manislaw.ca)>  
**Subject:** Update

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

Hi Leo,

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We had offer for 8.3 M @12% interest rate to clear all BMO debt and clear off all the property taxes owned to the city the private lender can do the transaction very quickly and easily without the heavy due diligence verse banks however the drawn back of the private lending are the fees which are upwards of

300k , and upfront monthly payments which will be take off you can contact the private lender directly +1 (416) 476-7829 name is Steven.

We have had lengthy conversations with the private lender and advise them of our priority is to get first funding thru BDC and if BDC doesn't fall thru for any reason we will initiate the process immediately with them and get funded before our new deadlines of October 31,2023.

RBC had used majority of our time with over promising and we have taken many measures now to ensure we don't run into this issue again.

We are requesting the extension for one last time to get this resolved by October 31,2023 should we fail to do so we will not request any more extensions and let the bank initiate the security over the property.

Looking forward to hearing from you .

Thank you,

**Usman Khalid**

| Senior Accounts Manager |

**Gold Stock Canada Inc. Precious Metal Dealer and Refiner**

| Toronto: [1-416-504-4653](tel:1-416-504-4653) | T Fax: [1-416-504-6706](tel:1-416-504-6706) | Cell : [1-647-400-5067](tel:1-647-400-5067) |

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Veillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspectes.

-----

# EXHIBIT Q



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

Assessment Roll Number 193
19-04-06-6-250-00100-0000-0 6

Issued to:
Miller Thomson LLP
Rebecca Armstrong
255 Queens Avenue, Suite 2010
London ON N6A 5R

DESCRIPTION OF PROPERTY
55 DUNDAS ST E
PLAN 22A PT LOTS 21 AND 22
WITH ROW

TAX SUMMARY table with 3 columns: Year, Taxes, Total. Row 1: 2023, Taxes, 92,964.84

Your Ref. No.: 0082754.0865
Statement Showing Taxes as at: August 16, 2023

MESSAGES

Bailiff warrant issued on above property, please contact A.O. Shingler & Co Ltd (Bailiff) for taxes under warrant as amounts shown do not include Bailiff Fees. Call toll free 1-877-883-1222 or 1-905-432-3262 and Fax 1-905-432-3761.

OUTSTANDING TAXES

Table with 7 columns: Year, Description, Taxes, Interest, Fees, Total, Related Roll Number. Includes rows for Real Estate, Fire, and Water taxes from 2020 to 2023.

Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE

FUTURE INSTALLMENTS

Table with 5 columns: Due Date, Amount Due, Description, Related Roll Number. Row 1: September 01, 2023, 16,182.53, Real Estate 2023.

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CHANGE OF OWNERSHIP NOTICE

RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-04-06-6-250-00100-0000-0 6

Issued to:
Miller Thomson LLP
Rebecca Armstrong
255 Queens Avenue, Suite 2010
London ON N6A 5R

Your Ref. No.: 0082754.0865

Form with sections: DESCRIPTION OF PROPERTY (55 DUNDAS ST E, PLAN 22A PT LOTS 21 AND 22 WITH ROW), MESSAGES

Form with sections: CHANGES, Owner(s) (Surname, Given Name), Mailing Address, Postal Code, Property Address

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

Closing Date

Signature



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

Assessment Roll Number 194
19-04-06-6-250-00100-0000-0 6

Issued to:
Miller Thomson LLP
Rebecca Armstrong
255 Queens Avenue, Suite 2010
London ON N6A 5R

DESCRIPTION OF PROPERTY
55 DUNDAS ST E
PLAN 22A PT LOTS 21 AND 22
WITH ROW

TAX SUMMARY
2023 Taxes 92,964.84

Your Ref. No.: 0082754.0865
Statement Showing Taxes as at: August 16, 2023

I hereby certify that the above statement shows all arrears of taxes (prior years) and unpaid current year's taxes against the above lands, and proceedings have not been commenced under the Municipal Tax Sales Act, 1990 or the Municipal Act, 2001, S.O. 2001, C.25, as amended and the City of Toronto Act 2006 S.O. 2006, C.11, unless otherwise indicated below.

THIS CERTIFICATE IS ISSUED SUBJECT TO CHEQUES TENDERED IN PAYMENT OF TAXES BEING HONOURED BY THE BANK
FEE PAID 76.43 for each separate parcel

Handwritten signature of Andrew Flynn

Andrew Flynn
Controller, City of Toronto

Important Notes:

- 1. This Certificate covers levied Tax Arrears or Current Taxes.
2. There are a variety of services which may be added to the Collector's Roll and collected as Taxes.
3. The amount of the levy does not include subsequent supplementary taxes that may be levied and added pursuant to Section 33 and 34 of the Assessment Act, R.S.O. 1990, as amended, nor does it include adjustments that may be made pursuant to Sections 357, 358 and 359 of the Municipal Act, 2001.
4. This Certificate is exclusive of any Local Improvement charges that have not been added to the Collector's Roll at the date of this Certification.
5. This certificate is subject to any apportionment which may be made pursuant to Section 356 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 322 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
6. This certificate is subject to any phase-in/capping recalculation made pursuant to Section 318 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 282 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
7. An administrative fee will be added to the account when there is an ownership transfer.
8. This certificate may not include any Vacant Home Tax amount that is owing and which has not yet been added to the Collector's Roll at the date of this certification.



CHANGE OF OWNERSHIP NOTICE

Cut Here
RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-04-06-6-250-00100-0000-0 6

Issued to:
Miller Thomson LLP
Rebecca Armstrong
255 Queens Avenue, Suite 2010
London ON N6A 5R

Your Ref. No.: 0082754.0865

Form with sections: DESCRIPTION OF PROPERTY (55 DUNDAS ST E, PLAN 22A PT LOTS 21 AND 22 WITH ROW) and MESSAGES.

Form with sections: CHANGES (Owner(s) with Surname and Given Name fields), Mailing Address, Postal Code, and Property Address.

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

Closing Date

Signature

BANK OF MONTREAL      11603531 CANADA INC.  
Applicant                      and                      Respondent

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**AFFIDAVIT OF LEO CHUN  
(SWORN SEPTEMBER 7, 2023)**

**MILLER THOMSON LLP**  
One London Place  
255 Queens Avenue, Suite 2010  
London, ON Canada N6A 5R8

**Tony Van Klink** LSO#: 29008M  
tvanklink@millerthomson.com  
Tel: 519.931.3509  
Fax: 519.858.8511

**Lawyers for the Applicant,  
Bank of Montreal**

# TAB 4

Court File No.:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**BANK OF MONTREAL**

Applicant

- and -

**11603531 CANADA INC.**

Respondent

APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND  
INSOLVENCY ACT* R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF  
THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. c-43, AS AMENDED

**CONSENT**

MNP Ltd. hereby consents to act as receiver and manager of the assets, undertakings and properties of the respondent pursuant to the Application of Bank of Montreal.

DATED at Toronto, Ontario this 7<sup>th</sup> day of September, 2023.

**MNP LTD.**

Per:



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Deborah Hornbostel, CPA, CA, CIRP,  
LIT, CFE  
Senior Vice President



BANK OF MONTREAL      11603531 CANADA INC.  
Applicant                      Respondent

Court File No.:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**CONSENT**

**MILLER THOMSON LLP**

One London Place  
255 Queens Avenue, Suite 2010  
London, ON Canada N6A 5R8

**Tony Van Klink** LSO#: 29008M

Tel: 519.931.3509

Fax: 519.858.8511

Email: tvanklink@millerthomson.com

**Lawyers for the Applicant,  
Bank of Montreal**

BANK OF MONTREAL  
Applicant

and

11603531 CANADA INC.  
Respondent

Court File No.: CV-23-00705867-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**APPLICATION RECORD  
(RETURNABLE NOVEMBER 14, 2023)**

**MILLER THOMSON LLP**

One London Place  
255 Queens Avenue, Suite 2010  
London, ON Canada N6A 5R8

**Tony Van Klink** LSO#: 29008M  
Tel: 519.931.3509  
Fax: 519.858.8511  
Email: tvanklink@millerthomson.com

**Lawyers for the Applicant,  
Bank of Montreal**