

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER
PURSUANT TO SECTION 243 OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C.
1985, c. B-3, AS AMENDED AND SECTION 55
OF *THE COURT OF KING'S BENCH ACT*,
C.C.S.M., c. C280

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION,

Applicant,

- and -

5684995 MANITOBA LTD., 6315402 MANITOBA LTD.
and K&P PROPERTIES INC.,

Respondents.

FILED OCT 27 2023

**AFFIDAVIT OF TAMARA HINES
SWORN: OCTOBER 27, 2023**

Thompson Dorfman Sweatman LLP
1700 – 242 Hargrave Street
Winnipeg MB R3C 0V1
(Matter No. 0165207 APM/RAM)
(Ross A. McFadyen, Tel: 204-934-2378)
(Mel M. LaBossiere, Tel: 204-934-2508)
(Email: ram@tdslaw.com / mml@tdslaw.com)

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER
PURSUANT TO SECTION 243 OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C.
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FIRST NATIONAL FINANCIAL GP CORPORATION,

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- and -

5684995 MANITOBA LTD., 6315402 MANITOBA LTD.
and K&P PROPERTIES INC.,

Respondents.

AFFIDAVIT OF TAMARA HINES

I, TAMARA HINES, of the City of Winnipeg, in the Province of
Manitoba, Senior Manager, Payment Processing,

MAKE OATH AND SAY THAT:

1. I am employed in the position of Senior Manager, Payment Processing, with Montrose Mortgage Corporation Ltd. ("**Montrose**"). In that role, I have been involved in Montrose's dealings with the Respondents in connection with the mortgage of the property commonly known as 737 – 743 Sargent Avenue in Winnipeg, Manitoba (the "**Property**"). As such, I have personal knowledge of the matters herein deposed to by me save and except where any of the same are stated to be based on information and belief, in which case, I believe them to be true.

2. The Applicant First National Financial GP Corporation ("**First National**") is the general partner of First National Financial LP, which carries on business as a provider of financial services, including mortgage lending. In its capacity as general partner, First National is authorized to lend funds, and to enter into credit and security agreements.

3. Montrose acts as an agent of First National and a provider of administrative services with respect to the Loan and Mortgage that are

relevant to this proceeding, as those terms are defined in the Affidavit of Sonia Pacheco sworn in this proceeding on September 27, 2023.

4. I am providing this Affidavit to respond in part to certain allegations made by Patrick Penner in his Affidavit affirmed October 21, 2023 (the "**Penner Affidavit**").

5. In response to paragraph 7 of the Penner Affidavit, following Montrose become aware of the fire and the subsequent evacuation of the Property in mid-August 2023, I expressly reached out to Mr. Penner by email in August 2023 to inquire about whether the payments required under the Mortgage would be made. In fact, on August 28, 2023, I expressly stated the following to Mr. Penner: "Just want to confirm if there will be sufficient funds in the account on September 1st for this property?". Having not received a prompt response, I then followed up again with Mr. Penner on August 29, 2023. At that point, he responded by email and stated: "sorry not delaying you, been a crazy week and just trying to catch up. will answer asap." I did not receive any further response from Mr. Penner following that email.

6. A true copy of my email exchange with Mr. Penner, including the emails from August of 2023, is attached hereto and marked as **Exhibit "A"**.

7. In response to paragraph 15 of the Penner Affidavit, the insurance coverage for the Property arranged by Penner does not comply with the insurance requirements set out in the Loan and Mortgage. A true copy of the Certificate of Insurance for the policy obtained by the Respondents for the Property is attached hereto and marked as **Exhibit "B"**.

8. The deficiencies in the insurance coverage arranged for the Property as reflected in the Certificate of Insurance include:

- (a) the property coverage is on a "Named Perils" basis, rather than an "All Risks" form;
- (b) the basis of loss settlement for property is "actual cash value", rather than replacement cost; and

(c) the property coverage reflects a co-insurance clause, contrary to the requirement that all policies should be on a "no co-insurance" basis.

9. I make this affidavit in good faith, and in support of First National's application to appoint a Receiver over the Property.

SWORN BEFORE ME at the City)
)
of Winnipeg, in the Province of)
)
Manitoba this 27th day of)
)
October, 2023)



A Barrister-at-law entitled to practice
in and for the Province of Manitoba



TAMARA HINES

This is **Exhibit "A"** referred
to in the Affidavit of

TAMARA HINES

Sworn (or affirmed) before me this 27th day of October,
2023



A Barrister-at-Law entitled to practise
in and for the Province of Manitoba

From: [Patrick Penner](#)
To: [Tamara Hines](#)
Subject: RE: MMC# 1392 - Sargent Avenue
Date: August 29, 2023 12:56:52 PM
Attachments: [image002.png](#)
[image001.png](#)
[image006.png](#)
[image007.png](#)

sorry not delaying you, been a crazy week and just trying to catch up. will answer asap

Patrick Penner
Harpenn Construction Inc.
P.O. Box 285-971 Corydon Avenue
Winnipeg, MB R3M 3S7
Phone (204) 797-6742
www.harpenn.ca



CCIM Institute
Equipping the world's best minds in commercial real estate

From: Tamara Hines [mailto:thines@montrosemortgage.com]
Sent: August 29, 2023 10:30 AM
To: pkharpenn@shaw.ca
Subject: RE: MMC# 1392 - Sargent Avenue
Importance: High

Good morning Patrick,

Can you advise on the email below as soon as possible please?

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

M MONTROSE

1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284

WWW.MONTROSEMORTGAGE.COM

This message and any documents attached hereto are intended only for the addressee and may contain confidential information. Any unauthorized disclosure is strictly prohibited. If you have received this

message in error, please notify us immediately so that we may correct our internal records. Please then delete the original message. Thank you.

From: Tamara Hines
Sent: Monday, August 28, 2023 8:34 AM
To: pkharpenn@shaw.ca
Subject: RE: MMC# 1392 - Sargent Avenue
Importance: High

Good morning Patrick,

Just want to confirm if there will be sufficient funds in the account on September 1st for this property?

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

 MONTROSE

1110 – 201 Portage Avenue

Winnipeg, MB R3B 3K6

Office Phone: (204) 982-1133

Fax: (204) 947-5284

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From: Tamara Hines
Sent: Monday, August 21, 2023 11:52 AM
To: pkharpenn@shaw.ca
Subject: RE: MMC# 1392 - Sargent Avenue

Thank you, Patrick.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines

Mortgage Servicing Administrator

MONTROSE

1110 – 201 Portage Avenue

Winnipeg, MB R3B 3K6

Office Phone: (204) 982-1133

FAX: (204) 947-5284

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From: pkharpenn@shaw.ca <pkharpenn@shaw.ca>
Sent: Sunday, August 20, 2023 2:22 PM
To: Tamara Hines <thines@montrosemortgage.com>
Subject: RE: MMC# 1392 - Sargent Avenue

Working on a plan to get this completed

I will try to have something put together this week

Thanks Tamara

Patrick

From: Tamara Hines <thines@montrosemortgage.com>
Sent: Friday, August 18, 2023 10:01 AM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: RE: MMC# 1392 - Sargent Avenue

Thank you Patrick.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

MONTROSE

1110 – 201 Portage Avenue

Winnipeg, MB R3B 3K6

Office Phone: (204) 982-1133

FAX: (204) 947-5284

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From: Patrick Penner <pkharpenn@shaw.ca>
Sent: Friday, August 18, 2023 10:00 AM
To: Tamara Hines <thines@montrosemortgage.com>
Subject: Re: MMC# 1392 - Sargent Avenue

I will respond to all emails on weekend so u have on Monday am

Sent from my iPhone

On Aug 18, 2023, at 9:58 AM, Tamara Hines <thines@montrosemortgage.com> wrote:

Good morning Patrick,

I'm following up on the status of the payments to bring the loan current. Please advise.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image001.png>

1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284

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From: Tamara Hines
Sent: Wednesday, August 16, 2023 11:09 AM
To: Patrick Penner <pkharpenn@shaw.ca>

Subject: RE: MMC# 1392 - Sargent Avenue

Importance: High

Good morning Patrick,

This property is still 2 months in arrears. Are you able to provide additional payments to bring this loan current?

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image001.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
FAX: (204) 947-5284

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From: Tamara Hines

Sent: Monday, March 20, 2023 10:23 AM

To: Patrick Penner <pkharpenn@shaw.ca>

Subject: RE: MMC# 1392 - Sargent Avenue

Importance: High

Hi Patrick,

The Lender has accepted the plan. However, if you do not abide by the timelines provided, we will instruct Albina to commence attorning rents.

First payment will be debited from your account on March 24th, 2023.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image001.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284
WWW.MONTROSEMORTGAGE.COM

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From: Patrick Penner <pkharpenn@shaw.ca>
Sent: Monday, March 20, 2023 7:56 AM
To: Tamara Hines <thines@montrosemortgage.com>
Subject: RE: MMC# 1392 - Sargent Avenue

I will have a payment ready for the 24th of March, and April 1st on time.

May 1st will be on time and will let you know a date once I have an additional payment ready in May for the 2nd payment.

Will work towards having this up to date with the 3rd payment in June.

Thanks Tamara

Patrick Penner
P.O. Box 285-971 Corydon Avenue
Winnipeg, MB R3M 3S7
Phone (204) 797-6742
www.harpenn.ca
<image002.png>

From: Tamara Hines [<mailto:thines@montrosemortgage.com>]
Sent: March 16, 2023 8:56 AM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: RE: MMC# 1392 - Sargent Avenue
Importance: High

Good morning Patrick,

Please be advised that if we don't have an answer regarding collecting the outstanding mortgage payments by the morning of Monday, March 20th, 2023, we have been

instructed by the Lender to start attorning rents.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image003.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284
WWW.MONTROSEMORTGAGE.COM

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From: Tamara Hines
Sent: Monday, March 13, 2023 1:43 PM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: RE: MMC# 1392 - Sargent Avenue

Hi Patrick,

Received your voicemail, thank you for letting me know.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image004.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284
WWW.MONTROSEMORTGAGE.COM

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our internal records. Please then delete the original message. Thank you.

From: Tamara Hines
Sent: Monday, March 13, 2023 12:38 PM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: RE: MMC# 1392 - Sargent Avenue
Importance: High

Hi Patrick,

Following up on this email again. Please advise as soon as possible.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image004.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284
WWW.MONTROSEMORTGAGE.COM

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From: Tamara Hines
Sent: Thursday, March 9, 2023 8:06 AM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: RE: MMC# 1392 - Sargent Avenue

Good morning Patrick,

Have you had a chance to review yet?

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines

Mortgage Servicing Administrator

<image005.png>

1110 – 201 Portage Avenue

Winnipeg, MB R3B 3K6

Office Phone: (204) 982-1133

Fax: (204) 947-5284

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From: Patrick Penner <pkharpenn@shaw.ca>

Sent: Tuesday, March 7, 2023 8:17 AM

To: Tamara Hines <thines@montrosemortgage.com>

Subject: RE: MMC# 1392 - Sargent Avenue

I will review all and respond.

sounds like good news.

Patrick Penner

Harpenn Construction Inc.

P.O. Box 285-971 Corydon Avenue

Winnipeg, MB R3M 3S7

Phone (204) 797-6742

www.harpenn.ca

<image002.png>

From: Tamara Hines [<mailto:thines@montrosemortgage.com>]

Sent: March 7, 2023 8:09 AM

To: Patrick Penner <pkharpenn@shaw.ca>

Subject: RE: MMC# 1392 - Sargent Avenue

Importance: High

Good morning Patrick,

Could you please advise on the email below?

Your earlier attention to this matter would be greatly appreciated.

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image006.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6
Office Phone: (204) 982-1133
Fax: (204) 947-5284
WWW.MONTROSEMORTGAGE.COM

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From: Tamara Hines
Sent: Monday, March 6, 2023 12:47 PM
To: Patrick Penner <pkharpenn@shaw.ca>
Subject: MMC# 1392 - Sargent Avenue
Importance: High

Good afternoon Patrick,

We have just received approval from Albina that we can continue to collect mortgage payments on the above referenced loan.

Below is a chart of the payments outstanding and the total to be collected. Please confirm if we can debit your account for all 3 payments.

1-Jan-23	\$ 18,513.03
1-Feb-23	\$ 18,513.03
1-Mar-23	\$ 18,513.03
Total Outstanding	\$ 55,539.09

***** PLEASE NOTE OUR ADDRESS HAS CHANGED *****

Sincerely,

Tamara Hines
Mortgage Servicing Administrator

<image004.png>
1110 – 201 Portage Avenue
Winnipeg, MB R3B 3K6

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Fax: (204) 947-5284

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<image007.jpg>

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This is **Exhibit "B"** referred
to in the Affidavit of

TAMARA HINES

Sworn (or affirmed) before me this 27th day of October,
2023

A handwritten signature in blue ink, appearing to be 'M. Hines', written over a horizontal line.

A Barrister-at-Law entitled to practise
in and for the Province of Manitoba

Effected with certain Lloyd's Underwriters ("the insurer") through Lloyd's Approved Coverholder ("the Coverholder"): **Excess Underwriting/Towerhill Insurance Agencies Inc., operated by Towerhill Insurance Underwriters Inc., 7100 Woodbine Ave., Suite 301, Markham, ON L3R 5J2**

This insurance contract consists of this (these) Declarations Page(s) along with the "Conditions" or "Statutory Conditions" or "General Conditions", as well as all coverage wordings, riders or endorsements that are attached hereto.

Any reference herein to the "Company" shall be construed as the "Insurer"

In consideration of the premium stated, the Insurer(s) will indemnified the Insured in accordance with the terms and conditions of this Policy and attached forms and endorsements. Insurance is provided for only those coverages for which forms and endorsements are attached and specific amounts of insurance are stated.

**THIS POLICY CONTAINS A CLAUSE(S) THAT MAY LIMIT THE AMOUNT PAYABLE
DECLARATIONS**

Insured and Policy Information

POLICY NO: PKC00516

INSURED NAME: 5684995 Manitoba Ltd.

MAILING ADDRESS: 971 Corydon Ave
Winnipeg, MB R3M 0X1

POLICY STATUS: New Policy

PERIOD OF INSURANCE: From February 24, 2023 To February 24, 2024
(Both days at 12:01 a.m. Standard Time at the Address of the Insured).

BROKER: Keystone Commercial
PO BOX 34021 RPO Fort Richmond.
Winnipeg MB R3T 5T5

TOTAL POLICY PREMIUM: \$22,676

MINIMUM RETAINED PREMIUM: \$5,669

TOTAL FEES (NON-REFUNDABLE): \$675

OPERATIONS/PROFESSIONAL SERVICES: Building owner - 46 unit apartment building (caretaker lives onsite)

Important Information for Insureds

PLEASE READ ALL DOCUMENTS

This Policy is issued and accepted subject to the following provisions, stipulations and conditions which form part of this Policy, together with other provisions, agreements or conditions which may be endorsed or added.



Excess Underwriting
25 February 2023
Date
Issued at Markham, ON

LLOYD'S

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

Lloyd's Approved Coverholder ("the Coverholder"): **Towerhill Insurance Underwriters Inc. trading as Excess Underwriting.**
7100 Woodbine Ave. Suite 301, Markham ON L3R 5J2

Where LLOYD'S UNDERWRITERS are subscribing insurers to the Policy, the following applies to them:

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

This insurance has been entered into in accordance with the authorization granted to the Coverholder by the Underwriting Members of the Syndicates whose definitive numbers and proportions are shown in the Table attached to the Agreement shown in the List of Subscribing Companies (hereinafter referred to as "the Underwriters"). The Underwriters shall be liable hereunder each for his own part and not one for another in proportion to the several sums that each of them has subscribed to the said Agreement.

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is 200 Bay, Suite 2930, P.O. Box 51, Toronto, Ontario M5J 2J2.

NOTICE

Any notice to the Underwriters may be validly given to the Coverholder.

LSW1550A

The Insured is requested to read this policy, and if incorrect, return it immediately for alteration.

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above along with the adjustor noted below. All inquiries and disputes are also to be addressed to this Coverholder.

For the purpose of the Insurance Companies Act (Canada), this Canadian Policy was issued in the course of Lloyd's Underwriters' insurance business in Canada.

LSW1548C
25 February 2023

Property

Location Number: 1
Location Address: 737-743 Sargent Ave, Winnipeg **Province:** MB **Postal Code:** R3E 0B3
Occupancy: Building owner - 46 unit apartment building (caretaker lives onsite)

INSURANCE IS PROVIDED FOR ONLY THOSE COVERAGES FOR WHICH RIDERS ARE INDICATED AND SPECIFIC LIMITS OR AMOUNTS OF INSURANCE ARE STATED BELOW

Form #	Coverage Description	Limit	Deductible	Valuation	Co-Ins	Premium
PN1	Building, Equipment and Stock (Named Perils)					
	Building	\$3,894,395	\$25,000	ACV	90%	\$15,578
	Equipment including Tenants Improvements & Betterments	\$138,000	\$25,000	ACV	90%	\$552
PE8	Sewer Backup Extension	\$100,000	\$25,000			\$250
PE9	Flood Extension	\$4,524,395	\$50,000			\$452
PE10	Earthquake Shock Endorsement	\$4,524,395	5% to a minimum of \$100,000			\$226
PR0004	Tenants Restriction Endorsement	Applicable				
PR0001	Property Extension	Included	\$25,000			\$100
		Property Extension A				
PE30	Permission to Complete Renovations Extension	Applicable				\$250
	2 units - kitchen, washroom, wiring, no structural, \$50k value, 4 month project					
TER0001	Terrorism Coverage - Applies to all risk locations	\$500,000	\$10,000			\$75
	Gross Earnings - Terrorism	Included				
	Service Interruption	5 Days				
	Indemnity Period	18 Months				
	Ordinary Payroll	Excluded				

Business Interruption

Form #	Coverage Description	Limit	Deductible	Valuation	Co-Ins	Premium
BA15	Rent or Rental Value	\$492,000			100%	\$1,722
	Service Interruption	48 Hours				
	Indemnity Period	12 Months				
	Ordinary Payroll -	Excluded				

Equipment Breakdown

Form #	Coverage Description	Limit	Deductible	Valuation	Co-Ins	Premium
S40007	Equipment Breakdown/Direct Damage Loss	\$4,524,395	\$25,000			\$1,071
	Production Machinery -	Excluded				
	Business Interruption - Waiting Period: 24 hours	Included				
	All Sublimits as listed below are contained within the Direct Damage Limit					
	Amonia Contamination	\$100,000				
	Brands & Labels	\$100,000				
	Building By-Laws	\$500,000				
	Claims Preparation Costs	\$100,000				
	Data Coverage	\$25,000				
	Debris Removal	\$100,000				
	Electrical Service Interruption					
	Environmental, safety and efficiency improvements	125%				
	Errors and Omissions	\$1,000,000				
	Expediting Expense	\$100,000				
	Extra Expense	\$25,000	24 Hours			
	Green Coverage	\$25,000				
	Hazardous Substances	\$100,000				
	Newly Acquired Locations - Reporting within 90 days	\$1,000,000				
	Off Premises Transportable Equipment	\$10,000				
	Ordinary Payroll	Excluded				
	Public Relations Services	\$10,000				
	Spoilage	\$25,000				
	Water Damage	\$100,000				

Crime

Form #	Coverage Description	Limit	Deductible	Premium
C8	(Loc #:1) Money and Securities - Robbery	\$5,000	\$1,000	\$100
	(Loc #:1) Loss Inside the Premises Coverage	Included		
	(Loc #:1) Loss Outside the Premises Coverage	Included		

Applicable to All Property, Business Interruption and Crime Coverages of This Policy

Form #	Coverage
NMA0464	War and Civil War Exclusion Clause
LMA5393	Contagion Exclusion
LMA5401	Property Cyber and Data Exclusion
NMA1191	Radioactive Contamination Exclusion Clause - Direct Damage
NMA1270	Radioactive Contamination Exclusion Clause
NMA2342	Seepage and/or Pollution and/or Contamination Exclusion Clause
PR0002	Fungi and Fungal Derivatives Exclusion

Liability

Form #	Coverage Description	Limit	Deductible	Premium
L1A	Commercial General Liability Coverage A - Bodily Injury and Property Damage - any one occurrence General Aggregate Limit Products and Completed Operations Coverage B - Personal and Advertising Injury Coverage C - Medical Expenses - Any One Person Coverage C - Medical Expenses - Any One Claim Coverage D - Tenants Legal Liability - All Risks	\$5,000,000 \$5,000,000 Excluded Excluded \$10,000 \$25,000 \$250,000	\$10,000 \$10,000	\$2,300
LD4a	Tenants' Legal Liability Deductible Endorsement - Per occurrence		\$10,000	
LD3c	Combined Deductible Endorsement (Bodily Injury & Property Damage) - Per occurrence		\$10,000	

Applicable To All Liability Coverages of This Policy

Form #	Coverage
LR1a	Designated Premises Limitation
LX2a	Personal and Advertising Injury Endorsement Exclusion
LX29	Products and Completed Operations Exclusion
GL0001	Fungi and Fungal Derivatives Exclusion
GL0002	Electronic Data and Cyber Attack Exclusion
GL0003	Misinterpretation of Data Exclusion
GL0004A	Assault, Abuse, Molestation and Battery Exclusion
LMA5396	Contagion Exclusion
NMA1978a	Nuclear Incident Exclusion Clause

Description of Operations	Apartments, co-ops (10 stories or less) No mercantile occupancy		
Canadian Receipts	US Receipts	Foreign Receipts	
\$492,000	\$0	\$0	

Applicable to All Coverages of This Policy

Form #	Coverage
NMA2962	Biological or Chemical Materials Exclusion
PR0018	Growing or Selling of Plants, Drugs, Substances Exclusion
ICR2009	Insuring in Canada Endorsement
LMA5120	Fraudulent Conduct and Misrepresentation Clause
LMA5028A	Service of Suit Clause
LMA3100	Sanctions Limitation and Exclusion Clause
LMA5096	Several Liability Clause (Combined Certificates)
LMA5190A	Canadian Subscription Policy
LMA5185	Made in Canada Clause
LSW1001	Several Liability Notice
LMA5468	Cyber & Data Total Exclusion Endorsement
LSW1542F	Lloyd's Underwriters' Complaint Protocol
LSW1543D	Notice Concerning Personal Information
LSW1565C	Code of Consumer Rights and Responsibilities
LSW1192A	Statutory Conditions (Fire)
LSW1193A	Statutory Conditions
LSW1195	Notice to Insureds
LSW1814	Statutory Conditions (Alberta)
LSW1815	Statutory Conditions (British Columbia)

Applicable to All Coverages of This Policy - Continued

Form #	Coverage
LSW1851	Statutory Conditions (Manitoba)
NMA1331	Cancellation Clause
ELC0001	English Language Clause
QAE	Quebec Amendatory Endorsement
AVN96	Asbestos Exclusion
LMA5018	Microorganism Exclusion (Absolute)
NMA2802	EDRE Date Recognition Exclusion
NMA2915A	Electronic Data Endorsement D
NMA2920	Terrorism Exclusion
R1	Additional Agreements and Conditions
R7	Short Rate Cancellation Table

Warranties, Subjectivities and Conditions

This policy is subject to the following warranties, subjectivities and/or conditions as outlined below and/or as stated on the quote sheet or policy declaration page. The warranties, subjectivities and/or conditions, are required to be met and maintained throughout the policy period. Failure to adhere to any of these warranties, subjectivities or conditions will automatically result in the termination of your policy from the time of the violation, even if a loss was not associated to the violation. Further, any loss caused by the failure to adhere will not be covered under the policy. Subsequent correction of the violation will not result in an automatic reinstatement of coverage. Requests for reinstatement must be submitted for underwriting review.

Warranties:

It is warranted by you that:

- The landlord is responsible for snow removal.
- Liability restricted to the insured locations as stated on the declaration page.
- Renovation work to be completed by licensed contractors who carry liability insurance to a minimum of \$2,000,000
- Wiring is at a minimum of 100 AMP Services
- No kitem or galvanized plumbing exists at the risk location
- This policy does not allow for any subletting by the tenant at the risk location.
- Warranted building is not designated as heritage.
- No knob and tube wiring, fuses or aluminum wiring exists at the location.
- Sewer Back- up coverage and/or Water Escape coverage is only applicable to the occupied units.

All other terms and conditions of this policy shall remain unchanged.

Declarations

Effective: February 24, 2023

List of Subscribing Companies (Subject to conditions in LSW1554 and LSW1550)

The Insurers and Coverages Insured		Interest	Premium
Line of Business:	All Property	35%	\$6,695
Company:	Certain Lloyd's Underwriters under B1262BW0463323		
Contract No.:	BW0463323		
Line of Business:	All Property	35%	\$6,696
Company:	Certain Lloyd's Underwriters under B169422THU5021		
Contract No.:	22THU5021		
Line of Business:	All Property	3%	\$574
Company:	Certain Lloyd's Underwriters under B0831NA0029022		
Contract No.:	NA0029022		
Line of Business:	All Property	27%	\$5,165
Company:	Certain Lloyd's Underwriters under B1262BW0462023		
Contract No.:	BW0462023		
Line of Business:	Boiler and Machinery	100%	\$1,071
Company:	Sovereign General		
Contract No.:	SOV2020		
Line of Business:	Terrorism	100%	\$75
Company:	Certain Lloyd's Underwriters		
Contract No.:	B0831NA0039322		
Line of Business:	Crime	100%	\$100
Company:	Certain Lloyd's Underwriters under B1262BW0463323		
Contract No.:	BW0463323		
Line of Business:	All Liability	100%	\$2,300
Company:	Certain Lloyd's Underwriters under B1262BW0463323		
Contract No.:	BW0463323		

SUBSCRIPTION POLICY

IN CONSIDERATION OF THE INSURED having paid or agreed to pay each of the INSURERS named in the list of Subscribing Companies forming part hereof, or to INSURERS whose names are substituted therefore or added thereto by endorsement, hereinafter called "THE INSURERS", the premium set against its name in the List of Subscribing Companies (attached hereto).

THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and subject always to the terms and conditions of this Policy, that if a loss occurs for which insurance is provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each insurer individually for such loss being limited to that proportion of the loss payable according to the terms and conditions of this Policy which the Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefor by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set out against the coverage concerned on the Declarations page(s).

That as regards each item of property insured which is lost or damaged at any time while this Policy is in force by a peril for which insurance is provided by the terms and conditions of this Policy, the liability of each Insurer individually shall be limited to whichever is the least of:

- (a) that proportion of the actual cash value of the property at the time of the loss, destruction or damage which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual Insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril, or
- (b) that proportion of the interest of THE INSURED in the property which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this policy in respect of that property against that peril, or
- (c) that proportion of the limit of insurance stipulated in respect of the property lost, destroyed or damaged which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril,

Provided however, that where the insurance applies to the property of more than one person or interest THE INSURERS' total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the specified limit or limits of liability.

If this Policy contains a Co-Insurance Clause or a Guaranteed Amount (Stated Amount) Clause, and subject always to the limit of liability of each Insurer corresponding to the percentage of the sum insured by this Policy as set out above, no Insurer shall be liable for a greater proportion of any loss or damage to the property insured, than the sum insured by such Insurer bears to:

- (a) that percentage, stated in the Co-Insurance Clause, of the actual cash value of the said property at the time of loss, or
- (b) the Guaranteed Amount (Stated Amount) of total insurance stated in the Guaranteed Amount (Stated Amount) Clause, as the case may be.

If the insurance under this Policy is divided into two or more items, the foregoing shall apply to each item separately.

Wherever in this Policy, or in any endorsement attached hereto, reference is made to "The Company", "The Insurer", "This Company", "we", "us", or "our", reference shall be deemed to be made to each of the Insurers severally.

This policy is made and accepted subject to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

IN WITNESS WHEREOF THE INSURERS through their representative(s) duly authorized by them for this purpose have executed and signed this Policy.

LSW1554
07/05

CANCELLATION REQUEST

We, the undersigned, do hereby request cancellation of the Lloyd's document bearing number PKC00516 (together with any renewal certificates relating thereto) as of

DD/MM/YYYY

and acknowledge that the insurer is hereby relieved from all liability as from the cancellation date

Signature of First Named Insured

Signature of a Witness

Signature of Second Named Insured

Signature of a Witness

Signature of Third Named Insured

Signature of a Witness

Signature of Mortgagee

Signature of a Witness

Underwriting Details

LOCATION ADDRESS

737-743 Sargent Ave
Winnipeg MB R3E 0B3

LOCATION NUMBER: 1

BUILDING

Year Built: 1914
Total Area: 21000
Stories: 3

CONSTRUCTION

Walls: Joisted Masonry

Roof: Tar & Gravel

MECHANICAL

Electrical: 100 Amp - Breakers
Plumbing: Copper (100%)

Heating: Baseboard / Electric

BUILDING RENOVATIONS

Electrical: 2015
Plumbing: 2015

Heating: 2015
Roof: 2015

FIRE PROTECTION

Grade: FUS 2
Fire Hall: Protected (Urban)
Sprinklered: N

Hydrants: Yes
Fire Alarm: Yes

CRIME PROTECTION

Alarm: No
Exterior Windows Barred/Wire Mesh: No

OCCUPANCIES

Insured: Tenanted
Area Occupied: 21000

NOTES

Loss Payee / Mortgagee Schedule

Loc#:1 - 737-743 Sargent Ave, Winnipeg, MB, R3E 0B3

Mortgagee - First National Financial LP - 16 York St Suite 1900, Toronto, ON M5J 0E6