

Clerk's stamp:

COURT FILE NUMBER

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF

ROYAL BANK OF CANADA

DEFENDANTS

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION and SEAMA SHALCHI-MOGHADDAM

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Dentons Canada LLP  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
Attn: Sam Gabor  
Ph. (403) 268-3048 Fx. (403) 268-3100  
File No.: 125665-9250

### AFFIDAVIT OF JOCELYN BERIAULT

Sworn on August 24, 2022

I, **JOCELYN BERIAULT**, of the City of Calgary, in the Province of Alberta, **SWEAR AND SAY THAT:**

1. I am a Senior Manager, Special Loans and Advisory Services for Royal Bank of Canada ("**RBC**"), the applicant creditor in these proceedings and, as such, have personal knowledge of the matters hereinafter deposed to, except where stated to be based upon information and belief. Where that knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.
2. I have reviewed the business records of RBC relevant to RBC's application seeking the appointment of a receiver and manager over all of the current and future assets, undertakings and property of Seama Shalchi-Moghaddam Professional Corporation ("**Seama PC**"), and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of RBC.
3. I have reviewed the business records maintained by RBC herein in respect of the matters at issue, which I verily believe were made in the ordinary and usual course of business. Where I do not have direct personal knowledge of matters deposed to herein, and my knowledge is derived from my review of the business records, I have attached relevant copies of those business records as exhibits to my Affidavit.

4. I am authorized by RBC to swear this Affidavit.

**The Parties**

5. RBC is a chartered bank doing business across Canada, including in Alberta.
6. Seama PC is a dental professional corporation incorporated pursuant to the laws of Alberta carrying on business in Alberta. A copy of the Alberta Corporate Registration System Corporate/Non-Profit Search for Seama PC is attached hereto, marked as **Exhibit "1"**.
7. Seama PC operates a dental office in Calgary, Alberta (the "**Dental Clinic**").

**Indebtedness of Seama PC to RBC**

8. The records of RBC provide that pursuant to a credit agreement dated January 6, 2022 (the "**Loan Agreement**"), RBC made available to Seama PC six (6) credit facilities:
  - a) a revolving demand facility in the amount of \$75,000 with interest at RBC's prime rate minus 0.25% per annum (the "**Seama PC Operating LOC**");
  - b) a variable rate term loan in the amount of \$288,888.64 with interest at RBC's prime rate minus 0.25% per annum;
  - c) a variable rate term loan in the amount of \$315,544.00 with interest at RBC's prime rate minus 0.25% per annum;
  - d) a lease fully drawn in the amount of \$167,619.04 to be governed by a master lease agreement;
  - e) a variable rate term loan in the amount of \$780,157.88 with interest at RBC's prime rate minus 0.25% per annum; and
  - f) two credit cards with a maximum limit of \$20,000.
9. The Loan Agreement provides among other things, that Seama PC is responsible for all fees (including legal fees), costs and expenses incurred by RBC in connection with the Loan Agreement, including relating to the enforcement of RBC's rights under the Loan Agreement.
10. It is a condition of the Loan Agreement that Seama PC must use a deposit account at RBC to operate the dental office and has such an account at RBC. The deposit account and the Seama PC Operating LOC are linked, such that if the deposit account has a negative balance, or by reason of processing a payment, will have a negative balance, an amount sufficient to restore the deposit account to a positive balance will automatically be drawn from the Seama PC Operating LOC. Therefore Seama PC must deposit its accounts receivable generated by the dental office into the deposit account to ensure that the Seama PC Operating LOC revolve as intended and agreed.
11. A copy of the Loan Agreement is attached hereto, marked as **Exhibit "2"**.



12. Pursuant to an RBC Visa Business Card Agreement dated February 7, 2018 (the "**Visa Business Card Agreement**") RBC made available to Seama PC a Visa Business Card. A copy of the Visa Business Card Agreement is attached hereto, marked as **Exhibit "3"**.
13. Pursuant to a Master Lease Agreement dated March 9, 2018 (the "**Master Lease Agreement**") RBC agreed to acquire equipment for leasing to Seama PC. Pursuant to a Leasing Schedule dated September 10, 2018 (the "**Leasing Schedule**", together with the Master Lease Agreement, the "**Lease Agreement**") RBC leased to Seama PC certain dental equipment. A copy of the Lease Agreement is attached hereto, marked as **Exhibit "4"**.
14. The Loan Agreement, the Visa Business Card Agreement and the Lease Agreement, are collectively referred to by me as the "**Loan Agreements**".

**The Security**

15. The records of RBC provide that to secure its obligations to RBC, Seama PC granted to RBC, among other things:
  - a) an interest in all of its present and after acquired personal property, including its accounts receivables, pursuant to a general security agreement dated February 7, 2018 (the "**GSA**"). Attached hereto, marked as **Exhibit "5"**, is a copy of the GSA;
  - b) a collateral mortgage dated February 7, 2018, attached hereto and marked as **Exhibit "6"** (the "**Unit 304 Mortgage**"), in the principal amount of \$355,000.00 over the real property legally described as:

CONDOMINIUM PLAN 1411261  
UNIT 52  
AND 81 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Unit 304 Lands**")
  - c) a collateral mortgage dated February 7, 2018, attached hereto and marked as **Exhibit "7"**, (the "**Unit 306 Mortgage**"), in the principal amount of \$320,000.00 over the real property legally described as:

CONDOMINIUM PLAN 1611439  
UNIT 88  
AND 68 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Unit 306 Lands**", along with the Unit 304 Land are collectively the "**Lands**";  
and
  - d) an assignment of insurance pursuant to an assignment of insurance policy dated February 7, 2018 (the "**Assignment**"), which is attached hereto and marked as **Exhibit "8"**.

16. The GSA, Unit 304 Mortgage, Unit 306 Mortgage and Assignment are collectively referred to as the "**Security**".
17. It is a term of the Loan Agreements and Security that any indebtedness owing thereunder shall continue to accrue interest on all amounts outstanding at the rates set forth therein.
18. RBC perfected the Security by filing registrations with the Alberta Personal Property Registry ("**Alberta PPR**") and the Alberta Land Titles Office. A copy of a PPR Debtor Name Search for Seama PC is attached hereto and marked as **Exhibit "9"**. A copy of the certificate of title for the Unit 304 Lands is attached hereto and marked as **Exhibit "10"**. A copy of the certificate of title for the Unit 306 Lands is attached hereto and marked as **Exhibit "11"**.
19. The PPR search referred to above provides that RBC is only creditor registered in the Alberta PPR against Seama PC.
20. The Land Titles searches referred to above provide that RBC is the first ranking secured creditor registered in the Alberta Land Titles Registry against the Unit 304 Lands and the Unit 306 Lands. No other creditors are registered against these lands.

#### **Background and Current State of the Business**

21. The records of RBC indicate that Seama PC provides dental services through a dental clinic located within the Unit 304 Lands and Unit 306 Lands which are commercial condo units located in Calgary, Alberta. The business is primarily operated by the defendant Seama Shalchi-Moghaddam ("**Seama**") as the sole dentist, while her former husband Alireza Shalchi-Moghaddam ("**Alireza**") acts as its administration and office manager. I am not aware of other employees of Seama PC.
22. The records of RBC provide that Seama and Alireza previously executed a joint and several guarantee for the benefit of RBC, which is attached hereto and marked as **Exhibit "12"**.
23. The records of RBC provide that Seama PC's file with RBC was transferred into RBC's special loans department in or around November 2021. I have had carriage of the file since that time.
24. Based on my review of RBC's records, Seama PC was transferred into RBC's special loans department primarily due to its cash flow issues, deteriorating financials, and inability to service its debt with RBC. I have reviewed the December 31, 2021 notice to reader quality financial statements for Seama PC, attached hereto and marked as **Exhibit "13"**, which provide that Seama PC was in a cash deficit position in 2020 and 2021. The financial statements further provide that there is insufficient cash flow from the operation of the dental practice to cover Seama PC's business expenses, such as condominium fees and property taxes, and to service Seama PC's debt with RBC.
25. The records of RBC provide that certain credit facilities under the Loan Agreement, which make up the majority of Seama PC's indebtedness to RBC, were in default in Quarter 1 of 2022 and continue to be:
  - a) the variable rate term loan in the amount of \$288,888.64 matured on February 28, 2022 and no payments have been made since that date;

- b) the variable rate term loan in the amount of \$315,544.00 matured on February 28, 2022 and no payments have been made since that date;
  - c) the variable rate term loan in the amount of \$780,157.88 matured on April 23, 2022 and no payments have been made since that date. I do note from RBC's records that two payments were automatically applied by RBC's automatic systems for this loan on May 23 and June 23, 2022, but the payments were later reversed by RBC due to the term loan previously maturing and RBC in its sole discretion not offering terms to renew the loan. These payments were sourced from the deposit account and returned to the deposit account.
26. The records of RBC further provide that on March 8, 2022, Alireza filed a consumer proposal. Attached hereto and marked as **Exhibit "14"** is the Notice to Creditors of Consumer Proposal in this regard.
27. Based on the foregoing, Seama PC was in default of its respective Loan Agreements, and Security for, among other reasons:
- a) failing to pay principal, interest or other amounts when due under the Loan Agreements; and
  - b) the filing of a consumer proposal by Alireza.
28. Due to Seama PC's poor financial state and the defaults referred to above, RBC was no longer prepared to continue its banking relationship with Seama PC.
29. On July 28, 2022, Dentons Canada LLP ("**Dentons**"), as legal counsel to RBC, was instructed by RBC to issue a demand letter to Seama PC for payment of all amounts outstanding to RBC (the "**Demand Letter**"). The Demand Letter was accompanied by a ten day Notice of Intention to Enforce Security pursuant to subsection 244 of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (each an "**NOI**"). Copies of the Demand Letter and NOI are attached hereto, marked as **Exhibit "15"**.
30. Following the issuance of the Demand Letter and NOI, at the request of Seama PC's legal counsel on the expiry of the NOI, Dentons worked with Seama PC's counsel in negotiating terms of forbearance. RBC required that a formal forbearance agreement be signed by Seama PC by Friday, August 19, 2022, failing which RBC would seek the appointment of a receiver over Seama PC's assets, undertaking and property. The terms of forbearance would require enhanced reporting to RBC, in particular relating to the status of Seama PC's operations and its accounts receivables.
31. Seama PC did not enter into terms of forbearance with RBC by August 19, 2022, and has failed to demonstrate to RBC any strategy for viably continuing its operations, or repaying the indebtedness as particularized in paragraph 36.
32. With respect to Seama PC's accounts receivables, prior to the issuance of the Demand Letter and NOI by Dentons, numerous direct deposits were made on a daily basis into Seama PC's direct deposit account with RBC which was used as the account to pay down Seama PC's various RBC loan facilities. Payments were primarily made into the account by insurance companies covering the cost of dental services for Seama PC's patients or through direct point of sale payments by

Seama PC's patients. Following the issuance of Demand Letter and NOI, only six nominal deposits have been made into Seama PC's deposit account on July 28, 29, August 2, 4, and August 17, 2022 totaling \$1,171.12. Numerous requests have been made by Dentons of Seama PC's counsel regarding the status of Seama PC's accounts receivables deposits but no response has ever been provided. Seama PC's counsel has advised that Seama PC's business continues to operate, but has failed or refused to advise on the status of the accounts receivables. Attached hereto and marked as **Exhibit "16"** is an email string in this regard between Dentons and Seama PC's counsel dated August 16 and 17, 2022. Accordingly, following Dentons issuing demand notices upon Seama PC, Seama PC's accounts receivables, and thus RBC's collateral, appear to have been potentially diverted away from RBC, or Seama PC may have ceased operations for reasons unknown to RBC. Without the reporting as requested by RBC, RBC has no ability to monitor and determine the status of the accounts receivables or operational status of the business.

33. Seama PC continues to provide RBC with no information regarding the status of its business operations, its accounts receivable and where it accounts receivables are being deposited. As a result, I verily believe RBC's collateral in the form of Seama PC's accounts receivable are in jeopardy.
34. Following the issuance of the Demand Letter and NOI by Dentons, all of the credit facilities provided by RBC to Seama PC referred to above at paragraph 8 also continue to go unpaid.
35. Based on the foregoing, RBC is no longer prepared to enter into forbearance terms with Seama PC or extend any further time for repayment. RBC has lost faith in Seama PC's ability to continue operating as a viable going concern and its ability to repay it.
36. RBC is also no longer prepared to fund the operations of the business.

**Indebtedness Owing to RBC**

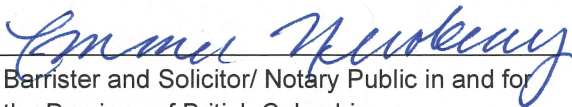
37. Pursuant to its obligations under the Loan Agreement, Seama PC is indebted to RBC in an amount that, as of August 22, 2022, equals, \$1,597,160.27, plus further accrued and accruing interest, costs and expenses (including legal costs on a solicitor and its own client, full indemnity basis) (the "**Indebtedness**") comprised as follows:


| <u>Facility</u>       | <u>Principal</u>             | <u>Accrued Interest</u>   | <u>Total</u>                 |
|-----------------------|------------------------------|---------------------------|------------------------------|
| Revolving Credit Loan | \$65,000.00                  | \$198.11                  | \$65,198.11                  |
| Visa                  | \$9,132.00                   | \$17.47                   | \$9,149.47                   |
| Lease                 | \$162,677.09                 |                           | \$162,677.09                 |
| Term Loan 025         | \$286,666.40                 | \$4,496.35                | \$291,162.75                 |
| Term Loan 026         | \$313,078.00                 | \$4,910.61                | \$317,988.61                 |
| Term Loan 027         | \$741,631.56                 | \$9,352.68                | \$750,984.24                 |
| Legal Fees            |                              |                           | Ongoing                      |
| <b><u>TOTAL</u></b>   | <b><u>\$1,578,185.05</u></b> | <b><u>\$18,975.22</u></b> | <b><u>\$1,597,160.27</u></b> |

**Appointment and Necessity of Receiver**

- 38. Based on the notice to reader statements provided by Seama PC, Seama PC does not have the cash flow necessary to continue its operations.
- 39. RBC has lost faith that Seama PC can continue operating or repay the Indebtedness.
- 40. Seama PC appears to be diverting its accounts receivables away from RBC and thus RBC's collateral is in jeopardy.
- 41. RBC is presently entitled to prosecute its legal remedies under its agreements with Seama PC, which includes the right to apply to this Honourable Court to appoint a receiver and manager over the property, assets and undertaking of Seama PC.
- 42. Without a receiver, RBC has no other means to preserve the receivables of Seama PC and adequately reduce its credit exposure, which is now increasing on a daily basis.
- 43. A receiver is necessary to maximize on a timely basis the realizable value of RBC's collateral, including Seama PC's goodwill and customer lists, and collect Seama PC's accounts receivables. A receiver realizing on the value of the business will also assist in reducing holding and operating costs to help preserve the value of the Lands. The records of RBC provide that condominium fees of \$1,354.56 are due to the condominium corporation for the Lands on a monthly basis. Property taxes are also due on a monthly basis.
- 44. I verily believe that MNP Ltd., with offices in the City of Calgary, is qualified and prepared to act as receiver or receiver and manager of Seama PC.
- 45. I make this Affidavit in support of RBC's application for a receivership order in respect of Seama PC.

SWORN BEFORE ME at Vancouver, British Columbia, this 24<sup>th</sup> day of August, 2022. )  
 )  
 )  
 )

  
 Barrister and Solicitor/ Notary Public in and for the Province of British Columbia )

  
 \_\_\_\_\_  
 JOCELYN BERIAULT

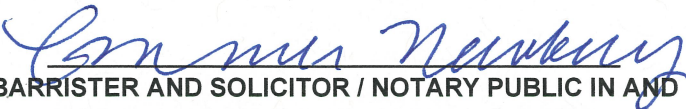
**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
**DENTONS CANADA LLP**  
 20th Floor, 250 Howe Street  
 Vancouver, B.C. V6C 3R8  
 Telephone (604) 687-4460

THIS IS EXHIBIT "1"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022

  
BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2022/07/25  
Time of Search: 11:13 AM  
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD  
Service Request Number: 38003665  
Customer Reference Number:

**Corporate Access Number:** 2021010208  
**Business Number:** 800434383  
**Legal Entity Name:** SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

**Legal Entity Status:** Active  
**Alberta Corporation Type:** Dental Professional Corporation  
**Method of Registration:** Amalgamation  
**Registration Date:** 2018/02/23 YYYY/MM/DD

**Registered Office:**  
**Street:** 101-6420 6A ST SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2H2B7

**Records Address:**  
**Street:** 101-6420 6A ST SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2H2B7

**Email Address:** HOUMAN@AGAHILAW.COM

**Directors:**  
  
**Last Name:** SHALCHI-MOGHADDAM  
**First Name:** SEAMA  
**Street/Box Number:** 211-370 QUARRY WAY SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2C5S1

**Voting Shareholders:**

**Last Name:** SHALCHI-MOGHADDAM  
**First Name:** SEAMA  
**Street:** 211-370 QUARRY WAY SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2C5S1  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** THE CLASSES AND ANY MAXIMUM NUMBER OF SHARES THAT THE CORPORATION IS AUTHORIZED TO ISSUE IS AS SET OUT IN SCHEDULE "A"  
**Share Transfers Restrictions:** THE RIGHT TO TRANSFER SHARES IS RESTRICTED IN THAT NO SHARES MAY BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS  
**Min Number Of Directors:** 1  
**Max Number Of Directors:** 7  
**Business Restricted To:** SEE ATTACHED SCHEDULE "B"  
**Business Restricted From:** SEE ATTACHED SCHEDULE "B"  
**Other Provisions:** SEE ATTACHED SCHEDULE "C"

**Other Information:**

**Amalgamation Predecessors:**

| Corporate Access Number | Legal Entity Name                                |
|-------------------------|--|
| 2018550828              | JASMINE FILION PROFESSIONAL CORPORATION          |
| 2018874251              | SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION |

**Last Annual Return Filed:**

| File Year | Date Filed (YYYY/MM/DD) |
|-----------|-------------------------|
| 2021      | 2021/09/08              |

**Outstanding Returns:**

Annual returns are outstanding for the 2022 file year(s).



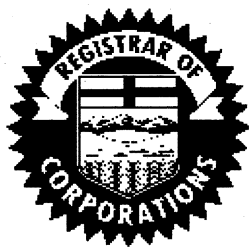
**Filing History:**

| List Date (YYYY/MM/DD) | Type of Filing  |
|------------------------|---|
| 2018/02/23             | Amalgamate Alberta Corporation                              |
| 2020/02/22             | Update BN   |
| 2021/01/29             | Change Director / Shareholder                               |
| 2021/09/08             | Enter Annual Returns for Alberta and Extra-Provincial Corp. |
| 2022/03/02             | Change Address  |

**Attachments:**

| Attachment Type           | Microfilm Bar Code | Date Recorded (YYYY/MM/DD) |
|---------------------------|--------------------|----------------------------|
| Share Structure           | ELECTRONIC         | 2018/02/23                 |
| Restrictions on Business  | ELECTRONIC         | 2018/02/23                 |
| Other Rules or Provisions | ELECTRONIC         | 2018/02/23                 |
| Statutory Declaration     | 10000907123264587  | 2018/02/23                 |

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



**THIS IS EXHIBIT "2"**

**REFERRED TO IN THE AFFIDAVIT OF**

**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**

*Barrister & Solicitor*

**DENTONS CANADA LLP**

20th Floor, 250 Howe Street

Vancouver, B.C. V6C 3R8

Telephone (604) 687-4460



**ROYAL BANK OF CANADA CREDIT AGREEMENT**

**DATE: January 6, 2022**

**BORROWER:**

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

**SRF:**

579464900

**ADDRESS** (Street, City/Town, Province, Postal Code)

11420-27 STREET SE  
SUITE 304  
CALGARY, AB T2Z 3R6

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned (the "Borrower") the following credit facilities (the "Credit Facilities"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "Agreement"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

**CREDIT FACILITIES**

**Facility #1 Revolving demand facility in the amount of \$75,000.00, available by way of RBP based loans.**

Minimum retained balance \$0.00

Revolved by the Bank in increments of \$5,000.00

Interest rate: RBP - 0.25% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.

Margined: Yes [ ] No [X]

**Facility #2 Variable rate term loan (non-revolving) in the amount of \$288,888.64.** Repayable by consecutive monthly principal payments of \$1,111.12 plus interest based on a 260 month amortization. Next payment is due January 28, 2022. This loan has a 2 month term and all outstanding principal and interest is payable in full on February 28, 2022. Interest rate: RBP - 0.25% per annum. Interest payable monthly, in arrears, on the same day each period as determined by the Bank.

**Facility #3 Variable rate term loan (non-revolving) in the amount of \$315,544.00.** Repayable by consecutive monthly principal payments of \$1,233.00 plus interest based on a 256 month amortization. Next payment is due January 28, 2022. This loan has a 2 month term and all outstanding principal and interest is payable in full on February 28, 2022. Interest rate: RBP - 0.25% per annum. Interest payable monthly, in arrears, on the same day each period as determined by the Bank.

**Facility #4 Lease facility (non-revolving) fully drawn in the amount of \$167,619.04.** Leases will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern. The determination by the Bank as to whether it will enter into any Lease will be entirely at its sole discretion.

**Facility #5 Variable rate term loan (non-revolving) in the amount of \$780,157.88.** Repayable by consecutive monthly principal payments of \$9,631.58 plus interest based on an 81 month amortization. Next payment is due January 23, 2022. This loan has a 4 month term and all outstanding principal and interest is payable in full on April 23, 2022. Interest rate: RBP - 0.25% per annum. Interest payable monthly, in arrears, on the same day each period as determined by the Bank.

**OTHER FACILITIES**

The Credit Facilities are in addition to the following facilities (the "Other Facilities"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

- a) Credit Card to a maximum amount of \$20,000.00.

\* Registered trademark of Royal Bank of Canada.

## **SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases, if applicable, (collectively, the "Security"), shall include:

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- b) Collateral mortgage in the amount of \$355,000.00 signed by the Borrower constituting a first fixed charge on the lands and improvements located at 304, 11420-27th Street SE, Calgary, Alberta, held in support of Facility #3;
- c) Collateral mortgage in the amount of \$320,000.00 signed by the Borrower constituting a first fixed charge on the lands and improvements located at 306A, 11420-27th Street SE, Calgary, Alberta, held in support of Facility #2;
- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,930,000.00 signed by Seama Shalchi-Moghaddam and Alireza Shalchi-Moghaddam;
- e) Assignment of life insurance policy on the Bank's form 583 signed by the Borrower assigning a life insurance policy in the minimum amount of \$1,300,000.00 covering the life of Seama Shalchi-Moghaddam;
- f) Certificate of insurance evidencing fire and other perils coverage on the property located at #304 and #306A, 11420-27th Street SE, Calgary, Alberta, showing the Bank as first mortgagee.

## **FEES**

Facility #1 management fee of \$25.00 payable in arrears on the same day each month.

Renewal Fee:

If the Bank renews or extends any term facility or term loan beyond its maturity date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

## **REPORTING REQUIREMENTS**

The Borrower will provide to the Bank:

- a) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower;
- b) annual copy of the T1 General and notice of assessment for each of Alireza Shalchi-Moghaddam and Seama Shalchi-Moghaddam, within 90 days of each year end;
- c) annual notice to reader/ compilation engagement (as applicable) financial statements for the Borrower, within 90 days of each fiscal year end;
- d) such other financial and operating statements and reports as and when the Bank may reasonably require.

## **OTHER INFORMATION/REQUIREMENTS**

- a) No Lease will be made available to the Borrower unless it meets the leasing criteria established by the Bank and the Bank has received such documentation in respect thereof as may be required by the Bank.

## **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

\* Registered trademark of Royal Bank of Canada.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

#### **STANDARD TERMS**

The following standard terms have been provided to the Borrower:

- Form 472 (11/2020) Royal Bank of Canada Credit Agreement – Standard Terms
- Form 473 (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms
- Form 473A (06/2021) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions
- Form 473B (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

#### **ACCEPTANCE**

This Agreement is open for acceptance until February 5, 2022, after which date it will be null and void, unless extended by the Bank in its sole discretion.

#### **ROYAL BANK OF CANADA**



Per: \_\_\_\_\_  
Title: Vice President

#### **RBC Contact: JOCELYN BERIAULT SLAS**

/lb

#### **CONFIRMATION & ACCEPTANCE**


The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which

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are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 22 day of January, 20 22

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

Per: Dr. Seama Shalchi-Moghaddam  
Name:   
Title: Dentist/Director

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have the authority to bind the Borrower

\* Registered trademark of Royal Bank of Canada.

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

#### GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

#### CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

#### AVAILABILITY

**Revolving facilities:** The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

**Non-revolving facilities:** The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

#### LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "**General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

#### REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand

and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.

- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

#### PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
- (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;

plus:

- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

#### EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "**Accounts**") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

#### CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.



- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

#### FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

#### GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

#### GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

#### AMENDMENTS AND WAIVERS

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

#### SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

#### GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period

to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

#### SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

#### DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

#### SET-OFF

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

#### CONSENT OF DISCLOSURE

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

#### JOINT AND SEVERAL / SOLIDARY

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

#### EVENTS OF DEFAULT

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

#### LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

#### FEF CONTRACTS

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;

- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.

#### EXCHANGE RATE FLUCTUATIONS

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

#### LANGUAGE

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

#### WHOLE AGREEMENT

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

#### GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

#### NOTICES

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

#### COUNTERPART EXECUTION

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

#### ELECTRONIC MAIL AND FAX TRANSMISSION

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

#### ELECTRONIC IMAGING

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

#### CONFIDENTIALITY

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

#### DEFINITIONS

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

"**Business Day**" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

**“Business Loan Insurance Plan”** means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

**“Capital Expenditures”** means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

**“Contaminant”** includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**“Corporate Distributions”** means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

**“Current Assets”** means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

**“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

**“Current Ratio”** means the ratio of Current Assets to Current Liabilities;

**“Debt Service Coverage”** means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

**“EBITDA”** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

**“Environmental Activity”** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**“Environmental and Health and Safety Laws”** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**“Equivalent Amount”** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**“Equity”** means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

**“Financial Assistance”** means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

**“Fixed Charge Coverage”** means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

**“Fixed Charges”** means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

**“Foreign Exchange Forward Contract”** or **“FEF Contract”** means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

**“Funded Debt”** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**“Guarantor”** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**“Lease”** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**“Interest Expense”** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances.

**“Investment”** means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

**“Letter of Credit”** or **“LC”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

**“Letter of Guarantee”** or **“LG”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

**"Margin"** or **"Margined"** means that the availability of Borrowings under the credit facilities will be based on the Borrower's level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

**"Overdraft"** means advances of credit by way of debit balances in the Borrower's current account;

**"Permitted Encumbrances"** means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

**"Person"** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

**"Policy"** means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

**"Postponed Debt"** means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

**"Potential Prior-Ranking Claims"** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

**"RBP"** and **"Royal Bank Prime"** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

**"RBUSBR"** and **"Royal Bank US Base Rate"** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

**"Release"** includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

**"Tangible Net Worth"** means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

**"Total Liabilities"** means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

**"Unfunded Capital Expenditures"** means Capital Expenditures not funded by either bank debt or equity proceeds.

**"US"** means United States of America.

**THIS IS EXHIBIT "3"**

**REFERRED TO IN THE AFFIDAVIT OF**

**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
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## RBC Royal Bank® Visa<sup>®</sup> Business Card Agreement

For good and valuable consideration, we accept your offer for the Account and each Card on the following terms and conditions:

**1. What the Words Mean:** In this Agreement and the Disclosure Statement, please remember that,

"we", "our" and "us" mean the person or entity which has signed or submitted the Application and/or this Agreement, and;

"you" and "your" mean Royal Bank of Canada and companies under RBC®;

Please also remember that in this Agreement and the Disclosure Statement;

"Account" means the RBC Royal Bank Visa Business Card account you have opened in a Cardholder's name to which Debt is charged;

"Account Statement" means your written statement of the Account that you prepare for a Cardholder about every three (3) or four (4) weeks. The period covered by each Account Statement will vary between 27 days and 34 days;

"Aggregate Credit Limit" means the maximum aggregate amount of Debt that can remain outstanding and unpaid at any time in the Accounts of all Cardholders under this Agreement;

"Agreement" means this Visa Business Card Agreement and all annexes attached to this Visa Business Card Agreement;

"Application" means the request made to you for the Account and each Card;

"Authorized Person" means any individual we have designated in writing as being authorized to ask you to open an Account and issue a Card to a Cardholder under this Agreement and to perform administrative duties for us under this Agreement;

"Card" means any Visa Business credit card you issue to a Cardholder on an Account in their name at our request, and all renewals of and replacements for that credit card;

"Cardholder" means an individual for whom you have opened an Account and to whom you have issued a Card on that Account at the request of an Authorized Person under this Agreement;

"Cash Advance" means an advance of cash that is charged to a Cardholder's Account with, or in connection with, their Card (or any other eligible Account access card you have issued to the Cardholder) and bill payments made from the Account at a bank branch, at a banking machine or on the Internet, Credit Card Cheques, balance transfers and "cash-like" transactions, including, without limitation, money orders, wire transfers, travellers' cheques, and gaming transactions (including betting, off-track betting, race track wagers, casino gaming chips, lottery tickets);

"Credit Limit" means the maximum amount of Debt that can remain outstanding and unpaid at any time in a Cardholder's Account under this Agreement;

"Debt" means all amounts charged to a Cardholder's Account with or in connection with their Card, including Purchases, Cash Advances, interest, and Fees;

"Disclosure Statement" means your written statement of the Interest Rates and Fees for each Account and each Card set out in a document accompanying each Card when you issue it to a Cardholder and in any other document or statement you may send to Cardholders or us from time to time;

"Fee" means a fee that applies to a Cardholder's Account and this Agreement, as set out in the Disclosure Statement and in any document or other written statement you may send to the Cardholder or us from time to time;

"Grace Period" means the number of days between the Cardholder's Statement Date and Payment Due Date;

"Interest-Bearing Balance" means the unpaid balance of the Debt outstanding in a Cardholder's Account that is made up of any combination of Interest-Bearing Purchases and Interest-Bearing Fees and Cash Advances;

"Interest-Bearing Purchase and Interest-Bearing Fee" means a Purchase or Fee appearing on an Account Statement for the first time whether either or both of the following occurs: (i) the Debt shown on that Account Statement is not paid in full by that Account Statement's Payment Due Date or (ii) the Debt shown on the preceding Account Statement was not paid in full by the preceding Account Statement's Payment Due Date;

"Interest Rate (Cash Advances including Credit Card Cheques)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Cash Advance;

"Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Interest-Bearing Purchase and Interest-Bearing Fee;

"Interest Rates" mean, collectively, the Interest Rate (Cash Advances including Credit Card Cheques) and the Interest Rate (Interest - Bearing Purchases and Interest-Bearing Fees);

"Liability Waiver Program" means the RBC Royal Bank Visa Liability Waiver program in force from time to time, a current copy of which is annexed to this Agreement;

"Minimum Payment" means the amount indicated as such on an Account Statement;

"New Balance" means the amount indicated as such on an Account Statement;

"Payment Due Date" means the date indicated as such on an Account Statement;

"Personal Identification Number" means the personal identification number that a Cardholder has selected in your prescribed manner;

**"Purchase"** means a purchase of goods or services (or both) that is charged to a Cardholder's Account with or in connection with their Card; and

**"Statement Date"** means the last date of the Statement period for which an Account Statement is produced.

2. **General Terms of Agreement:** This Agreement and the Disclosure Statement apply to each Account and Card. This Agreement replaces all prior Visa Business Card agreements between you and us for each Account and Card.

This Agreement is our promise to pay amounts owing on each of our Visa Business Accounts. It together with our Visa Business Card Application explains our rights and duties.

We acknowledge and agree that we must provide each Cardholder with a copy of this Agreement.

If a Cardholder signs, activates or uses their Card or their Account, it will mean that we have received and read this Agreement and agree to and accept all of its terms.

We confirm that all information provided to you regarding the applicant's ownership, control and structure is true, complete and accurate in all respects.

We must promptly give you up-to-date credit and financially related information about us when you ask for it. The section headings in this Agreement appear only for ease of reference purposes. They do not form part of this Agreement.

3. **Account Opening/Card Issuance and Renewal:** You will open an Account for, and will issue a Card on that Account to, a Cardholder at our request or at the request of an Authorized Person made on a fully completed request form that you have prescribed for this purpose. For any Cardholder that is not responsible for the payment of any Debt under this Agreement, you will maintain a record of the name of the Cardholder only. We acknowledge and agree that we shall obtain the name, address, telephone number, and date of birth of such Cardholders and shall maintain a record of such information obtained for a period of 7 years. We agree to immediately provide such information to you if requested by you.

You will also issue renewal and replacement Cards (excluding an emergency replacement Card) to each Cardholder before the expiration date indicated on the Card last issued to them. You will continue to issue renewal and replacement Cards to a Cardholder in this way until we or the Cardholder tells you to stop. An emergency replacement Card will be issued by you to a Cardholder when required according to your customary operating procedures.

4. **Account and Card Use:** A Cardholder may use their Account and Card to obtain advances of money from you through Purchase transactions, Cash Advance transactions and other transactions you permit from time to time. The use of each Account and Card is governed by this Agreement. An Account and Card may only be used by the Cardholder in whose name it has been opened or issued. A Cardholder must not use their Card after the expiration date shown on it or after the termination of this Agreement. A Cardholder may not use their Card for any illegal, improper or unlawful purpose.

You reserve the right to refuse your authorization for certain types of transactions as determined by you.

5. **Account and Card Ownership:** You are the owner of each Account and Card. Neither we nor any Cardholder has the right to assign or transfer this Agreement, any Card or any Account to anyone else
6. **Lost or Stolen Card:** We or a Cardholder must tell you at once if the Cardholder's Card is lost or stolen or if we or the Cardholder suspects it is lost or stolen. We or the Cardholder may do this in the way you have set out on each Account Statement.

If a Cardholder's Card is lost or stolen, we will be liable to you for:

1. all Debt on the Cardholder's Account, up to a maximum of \$1,000.00, resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which only their Card or Cardholder's Account number has been used to complete those transactions, and
2. all Debt resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which their Card and Personal Identification Number have been used together to complete those transactions.

We will not be liable to you for any Debt resulting from the loss or theft of the Cardholder's Card that is incurred after the time we or the Cardholder tells you about that loss or theft.

7. **Card Cancellation/Revocation or Suspension of Use:** We may cancel a Cardholder's Account and Card for any reason (including, without limitation, the death of the Cardholder) by providing you with written notice of cancellation of that Account and Card. Subject to Section 6, we will be liable to you for all Debt, howsoever and by whomsoever incurred, resulting from the use of the Cardholder's Account or Card from the time we provide written notice of cancellation to you of the Cardholder's Card until the time we have notified you that the Card has been destroyed.

If the Debt outstanding in a Cardholder's Account exceeds the Credit Limit at any time, you may suspend the Cardholder's right to use their Account and Card and all services you provide to the Cardholder under this Agreement until such time as that excess is paid to you in full.

You may revoke or suspend a Cardholder's right to use their Account and Card at any time without notice. The Cardholder must also surrender their Card to us or to you at our (or your) request.

8. **Limits:** You will set an Aggregate Credit Limit for all Accounts and you may change it from time to time without notice.

If we consistently make late payments or no payments, you may reduce the Aggregate Credit Limit of all accounts. You will tell us what the initial Aggregate Credit Limit is at or before the time an Account is opened for a Cardholder under this Agreement. We will not permit the Debt we owe to you at any time to exceed the Aggregate Credit Limit. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed the Aggregate Credit Limit you set from time to time.



You will set a Credit Limit for each Cardholder's Account and you may change the Credit Limit for a Cardholder's Account periodically. You will tell each Cardholder what their current Credit Limit is on the document accompanying their Card when you issue it to them and on each Account Statement. We will ensure that each Cardholder observes their Credit Limit. We will not permit the Debt we owe to you in respect to an Account at any time to exceed the Credit Limit for that Account. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed that Credit Limit you set from time to time. We understand that the use of any Card and the Account may be suspended, at your discretion, if the Credit Limit is exceeded. An overlimit fee will be charged to an Account when you permit the Debt to exceed the Credit Limit of that Account during an Account Statement period. You may at any time refuse to permit the Debt to exceed the Credit Limit of an Account and require us to pay any balances which exceed the Credit Limit of an Account.

9. **Liability for Debt:** Subject to Sections 6. and 7., and except as may otherwise be provided under the Liability Waiver Program, we will be liable to you for all Debt charged to each Account, no matter how it is incurred or who has incurred it and even though you may send Account Statements to Cardholders and not to us. However, you will provide Account Statement or other information about that Debt to us at our request. You may apply any money we have on deposit with you or any of your affiliates against any Debt we have not paid to you as required under this Agreement without notice to us.

10. **Making Payments:** It is our responsibility to ensure that payment on each Cardholder's Account is received by you for credit to each Account by the Payment Due Date shown on each Account Statement, even if our Payment Due Date falls on a holiday or weekend.

Payments can be made on each Account at any time. Payment can be made by mail, at one of your branches, at an ATM that processes such payments through your telephone or online banking services or at certain other financial institutions that accept such payments. Even when normal postal service is disrupted, payments must continue to be made on each Account.

Payments do not automatically adjust the available Credit Limit. Payments on each Account made by mail or made through another financial institution's branch, ATM or online banking service may take several days to adjust the available Credit Limit. To ensure that a Payment is credited to a Cardholder's Account and automatically adjusts the available Credit Limit on the same business day, a Cardholder's payment must be made prior to 6:00pm local time on that business day at one of your branches or ATM's in Canada or through your telephone or online banking services.

We can also ask you to process our payment on each Payment Due Date each month by automatically debiting a bank account that we designate for that purpose. We may choose to pay the Minimum Payment, a fixed amount provided that it is not less than the Minimum Payment or our New Balance. If we ask you to automatically process payments in this manner, we agree to be bound by the terms and conditions set out in Rule H1 of the Rules of the Canadian Payments

Association, as amended from time to time. In addition, we agree to waive any pre-notification requirements that exist where variable payment amounts are being authorized. We may notify you at any time that we wish to revoke our authorization and a pre-authorized payment may, under certain circumstances, be disputed for up to 90 days. The Rules are available for us to review at [www.cdnipay.ca](http://www.cdnipay.ca).

#### 11. Payment of Debt:

a. Subject to sub-Sections 11(b), 11(c) and Section 20., we may pay the Debt we owe to you in respect to each Cardholder's Account in full or in part at any time.

b. Subject to Subsection 11.c. and Section 20., we must make a payment of the lesser of \$10.00 plus Interest plus Fees as shown on the current Account Statement and our New Balance by the Payment Due Date shown in order to keep the Account up to date. Any pastdue amounts will continue to be included in our Minimum Payment amount.

c. We must also pay the amount of any Debt that exceeds the Credit Limit for a Cardholder's Account at once to keep that Account up-to-date. We must pay this excess even though you may not yet have sent an Account Statement to the Cardholder on which that excess appears.

d. We must keep each Cardholder's Account up-to-date at all times even when you are delayed in or prevented from sending, for any reason, any one or more Account Statements to Cardholders. We must contact your Card Centre identified on Account Statements at least once a month during such a delay or interruption to obtain any payment information we do not have and need to know in order for us to comply with our obligations under this Section.

e. If any payment made by us in respect of a Cardholder's Account is not honoured, or if you must return it to us because it cannot be processed, the applicable fee will be charged under Section 14., and Card privileges may be revoked or suspended by you under Section 7.

f. If the New Balance on a Cardholder's previous Account Statement is paid in full by the Payment Due Date, the Grace Period for the Cardholder's current Account Statement will continue to be the minimum number of days applicable to the Card (21 days for Visa Classic and 17 days for Visa Avion®). If the previous New Balance on a Cardholder's Account Statement is not paid in full by the Payment Due Date, the Cardholder's Payment Due Date will be extended to 25 days from the Statement Date regardless of the type of Visa Card held by the Cardholder.

#### 12. Interest Charges:

a. **Interest-Free Purchases and Interest-Free Fee:** We will not pay interest on the amount of any Purchase or Fee appearing on an Account Statement for the first time provided that all Debt shown on that Account Statement is paid in full by that Account Statement's Payment Due Date and all Debt shown on the preceding Account Statement was also paid in full by that preceding Account Statement's Payment Due Date.

b. **Interest-Bearing Balance:** We will pay interest on the Interest-Bearing Balance at the Interest Rates in effect in the manner described below and in sub-Section 12.(c):

You will charge us interest:

- i. on the amount of each Interest-Bearing Purchase and Interest-Bearing Fee from (and including) the transaction date recorded for them on the Account Statement where they appeared for the first time to the day you receive payment in full of the Interest-Bearing Balance; and
- ii. on the amount of each Cash Advance (including Credit Card Cheques) from (and including) the day they are obtained to the day you receive payment in full of the Interest-Bearing Balance.

**c. Interest Calculation:** The interest you charge on the Interest-Bearing Balance accrues daily.

You will calculate the interest on the Interest-Bearing Balance made up of Cash Advances by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Cash Advances and Credit Card Cheques) in effect and dividing the result by the number of days in the year. You will calculate the interest on the Interest-Bearing Balance made up of Interest-Bearing Purchases and Interest-Bearing Fees by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Interest-Bearing Purchase and Interest-Bearing Fee) in effect and dividing the result by the number of days in the year.

You will post the interest we owe on the Interest-Bearing Balance for the period covered by an Account Statement to the Account at the end of that period. Since the interest you charge on the Interest-Bearing Balance accrues daily up to the time you receive a payment of the Debt, the final interest charge on the Interest-Bearing Balance for that period can only be calculated and included on the Account Statement that shows the payment.

- 13. Payment Allocation:** When we make a payment you will apply the amount up to our Minimum Payment, first to any interest and second to any fees. You will apply the remainder of any Minimum Payment to our New Balance, generally starting with amounts bearing the lowest interest rate before amounts bearing higher interest rates.

If we pay more than our Minimum Payment, you will apply the amount over the Minimum Payment to the remainder of our New Balance. If the different amounts that make up our New Balance are subject to different interest rates, you will allocate our excess payment in the same proportion as each amount bears to the remainder of our New Balance. If the same interest rate is applicable to both a cash advance (which never benefits from an interest-free grace period) and a purchase, you will apply our payment against the cash advance and the purchase in a similar proportionate manner. If we have paid more than our New Balance, you will apply any payment in excess of the New Balance to amounts that have not yet appeared on our monthly statement in the same manner as set out above.

Credits arising from returns or adjustments are generally first applied to transactions of a similar type, second to any interest and fees, and the remainder to other amounts owing in the same manner as you apply payments in excess of the Minimum Payment.

Unless you otherwise agree, any payment must be made in money which is legal tender at the time of payment. As well, the mere lapse of the time fixed for performing an obligation under this Agreement will have the effect of putting us in default of it.

- 14. Fees:** We must pay all Fees. You will charge them to the Cardholder's Account at the time they are incurred.
- 15. Banking Machines:** A Cardholder may use their Card together with their Personal Identification Number to make transactions on their Account at those banking machines and terminals you operate and at any other banking machines or terminals you designate from time to time, subject to the Cardholder's agreement with you governing the use of their Personal Identification Number.
- 16. Debt Incurred Without a Card:** If a Cardholder incurs Debt without having presented their Card to a merchant (such as for internet, mail order or telephone Purchase), the legal effect will be the same as if the Cardholder had used their Card and signed a Purchase or Cash Advance draft.
- 17. Transfer of Your Rights:** You may transfer any or all of your rights under this Agreement and the Disclosure Statement, by way of assignment, sale or otherwise. If you do so, you can give information concerning the Account to anyone you transfer your rights to, but will ensure that they are bound to respect our privacy rights in that information.
- 18. Changes to Disclosure Statement:** You may change the Interest Rates and Fees for each Cardholder's Account and this Agreement set out or referred to in the Disclosure Statement periodically. We will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.
- 19. Changes to Agreement:** You may change this Agreement periodically. Subject to Section (8), we will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

The benefits and services you provide to Cardholders are subject to terms and conditions which may be amended by you from time to time without notice to us or any Cardholder.

**20. Termination:**

1. You or we may terminate this Agreement at any time by giving written notice of termination to the party(ies) to be bound by that written notice. You must direct your written notice to our address last appearing on your records. Our written notice must be directed to your address appearing on the last Account Statement you have sent to Cardholders.
2. The occurrence of any one of the following events has the effect of putting us in default and you may terminate this Agreement at once without giving us any notice, if:

- a. we become insolvent or bankrupt,
- b. someone files a petition in bankruptcy against us,
- c. we make an unauthorized assignment for the benefit of our creditors,
- d. we institute, or someone else institutes, any proceedings for the dissolution, liquidation or winding up of our affairs,
- e. we institute, or someone else institutes, any other type of insolvency proceeding involving our assets under the Bankruptcy and Insolvency Act or otherwise,
- f. we cease or give notice of our intention to cease to carry on business or make or agree to make a bulk sale of our assets without complying with applicable laws or we commit an act of bankruptcy,
- g. we fail to pay any Debt or to perform any other obligation to you as required under this Agreement,
- h. we make any statement or representation to you that is untrue in any material respect when made, or
- i. there is, in your opinion, a material adverse change in our financial condition.

3. Upon termination of this Agreement, we must pay all Debt for each Account to you at once and ensure that each Cardholder destroys their Card and returns any unused Credit Card Cheques. If we fail to comply with our obligations to you under this Agreement, we will be liable to you for:

- a. all court costs and reasonable legal fees and expenses (on a solicitor-client basis) you incur through any legal process to recover any Debt, and
- b. all costs and expenses you incur in reclaiming any Card.

21. **RBC Rewards®:** If a Card allows us to earn RBC Rewards points which can be redeemed for merchandise, travel and other rewards, we acknowledge that our participation in the RBC Rewards program is subject to the RBC Rewards Terms and Conditions. The RBC Rewards Terms and Conditions are available for review at [www.rbc Rewards.com](http://www.rbc Rewards.com) and are subject to change without notice.

22. **Special Offers (Introductory and Promotional Interest Rates):** You may make special offers to us from time to time, including Introductory Interest Rate and other Promotional Interest Rate offers that temporarily lower the interest rate applicable to portions of our balance, such as when we make certain types of Cash Advances.

You sometimes make Introductory Interest Rate offers which apply to new Accounts only. For example, you could offer a low Introductory Interest Rate applicable to certain transactions for a limited period of time, such as a 3.9% Introductory Interest Rate on all Cash Advances for the first 9 months.

A Promotional Interest Rate offer is an offer you may periodically make to us and that applies to our Card after our Account has been opened. For example, you could offer us a low Promotional Interest Rate applicable on certain transactions for a limited period of time, such as a 3.9% Promotional Interest Rate on Credit Card Cheques for 9 months.

If you make us a special offer, you will explain its scope

and duration and any additional terms that apply to it. If we accept the special offer by using the Credit Card Cheques or otherwise taking advantage of the special offer, we will be bound by this Agreement and any additional terms you set out in the offer. When the promotion expires, the special offer terms will end and the terms and conditions of this Agreement will continue to apply, including those related to interest and payments. Our monthly statement will set out any Introductory Interest Rate(s) or Promotional Interest Rate(s) that apply to our New Balance, any remaining balances associated with those rates, and when those rates expire. If any expiry date falls on a date for which you do not process statements (for example, weekends and certain holidays), you will continue to provide us with the benefit of that Introductory Interest Rate or Promotional Interest Rate until your next statement processing day.

23. **Problems With a Purchase:** You will not be responsible for any problem a Cardholder has with any Purchase. If the Cardholder has a problem or dispute with a merchant regarding a Purchase, we must still pay all Debt as required by this Agreement and settle the problem or dispute directly with the merchant.

You will not be responsible if a Card is not honoured by a merchant at any time and for any other problem or dispute a Cardholder may have with a merchant. As well, you reserve the right to deny authorization of any Purchase at any time.

24. **Account Statements, Verification and Disputes:** You will send Account Statements to each Cardholder, directed to the Cardholder's address last provided to you by the Authorized Person. You will prepare our Account Statements at approximately the same time each month. If the date on which you would ordinarily prepare our Account Statements falls on a date for which you do not process statements (for example, weekends and certain holidays), you will prepare our Account Statements on your next statement processing day. Our Payment Due Date will be adjusted accordingly. We will ensure that each Cardholder promptly examines all of their Account Statements and each entry and balance recorded in them. We will notify you in writing of any errors, omissions, or objections to an Account Statement, or an entry or balance recorded in it, within thirty (30) days from the Statement Date recorded on that Account Statement.

If we do not notify you as required, you are entitled to treat the above Account Statements, entries and balances as complete, correct and binding on us and you will be released from all claims by us in respect of those Account Statements, entries and balances.

You may use a microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt to establish our liability for that Debt. Upon request, you will provide a microfilm, electronic or other reproduction within a reasonable time frame of any Purchase or Cash Advance draft or other document evidencing the Debt.

If the item is a legitimate charge to the Cardholder's Account and the dispute is between the Cardholder or us and the merchant, we must still pay the Debt owing to you and settle the problem or dispute directly with the merchant. If the item is not a legitimate charge, you will return the item to the merchant and credit the Cardholder's Account.

- 25. Authorized Person:** Upon signing this Agreement, we may designate one or more individuals as an Authorized Person who is authorized to act on our behalf and who may assist us in the administration of this Agreement.
- 26. Exchange of Information Between You and Us:** Information about a Cardholder's use of their Account and Card, and pertinent information about any reimbursement of Debt received by the Cardholder from us, Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us.
- 27. Electronic Communication:** We acknowledge and agree that you may provide Account Statements, this Agreement or other document relating to a Cardholder's Account electronically including over the Internet or to an email address we provide you for this purpose, with our consent. Documents sent electronically will be considered "in writing" and to have been signed and delivered by you. You may rely on and consider any electronically authenticated document received from us or which appears to have been received from us as authorized and binding on us. In order to communicate with you by electronic means, we agree to comply and require each Cardholder to comply with certain security protocols that you may establish from time to time and to take all reasonable steps to prevent unauthorized access to any Account Statement and any other documents exchanged electronically.

**28. Collection, Use and Disclosure of Information:**

For purposes of this Section: (i) "Customer" means the person or entity which has signed this Agreement, its Representatives and its owners; and (ii) "Representatives" mean directors, officers, employees, signing authorities, agents, contractors, subcontractors, service providers, consultants, internal or external auditors, legal or other professional advisors.

This Section describes how you collect, use and disclose Customer information in connection with this Agreement.

**I. Collecting Information**

You may collect and confirm financial and other information about Customer during the course of your relationship with Customer, including information:

- i. establishing Customer's existence, identity (for example, name, address, phone number, date of birth, etc.) and background;
- ii. related to transactions arising from Customer's relationship with and through you, and from other financial institutions;
- iii. provided on any application for products or services;
- iv. for the provision of products or services; and
- v. about Customer's financial behaviour, including payment history and credit worthiness.

You may obtain this information from any source necessary for the provision of products or services, including from: (i) Customer; (ii) service arrangements made with or through you; (iii) credit reporting agencies; (iv) other financial institutions; (v) registries; and (vi) references provided to you.

**Customer acknowledges receipt of notice that from time to time reports about Customer may be obtained by you from credit reporting agencies.**

**II. Using Information**

All information collected by, and provided to you may be used and disclosed for the following purposes:

- i. to verify Customer's identity and investigate its background;
- ii. to open and operate the Accounts or provide other products and services;
- iii. to understand Customer's financial situation;
- iv. to determine, and make decisions about, the eligibility of Customer or Customer's affiliates for the products and services;
- v. to help you better understand the current and future needs of your clients;
- vi. to communicate to Customer any benefit, feature or other information about products and services;
- vii. to help you better manage your business and your relationship with Customer;
- viii. to operate the payment card network;
- ix. to maintain the accuracy and integrity of information held by a credit reporting agency; and
- x. as required or permitted by law.

For these purposes, you may (i) share the information with other persons, including your Representatives and regulators; (ii) share the information with other financial institutions and persons with whom Customer has financial or other business dealings; and (iii) give credit, financial and other related information to credit reporting agencies who may share it with other persons. In the event information is used or shared in a jurisdiction outside of Canada, the information will be subject to, and may be disclosed in accordance with, the laws of such jurisdiction. At Customer's request, you may give the information to other persons.

You may also use the information and share it with your affiliates to: (i) manage your risks and operations and those of your affiliates; (ii) comply with valid requests for information from regulators, government agencies, public bodies or other entities who have a right to issue such requests; and (iii) let your affiliates know Customer's choices under "Other Uses" below for the sole purpose of honouring Customer's choices.

**If you have Customer's social insurance number, it may be used for tax related purposes and shared with appropriate government agencies, and may also be shared with credit reporting agencies for identification purposes.**

**III. Other Uses**

All information collected by, and provided to you may also be used and disclosed for the following purposes:

- i. promoting products and services that may be of interest;
- ii. where not prohibited by law, referring Customer to your affiliates and for your affiliates to promote products and services that may be of interest. Customer acknowledges that as a result of such sharing, you and your affiliates may advise each other of the products or services provided; and
- iii. if Customer deals with your affiliates, you and your affiliates may, where not prohibited by law, consolidate all of the information you have with information any of your affiliates has about

Customer in order to manage the business of, and relationships with, you and your affiliates.

For the purposes described in subsections (i) and (ii), you and your affiliates may communicate with Customer through various channels, including mail, telephone, computer or any other electronic channel, using the most recent contact information provided.

Customer may choose not to have this information shared or used for any of these "Other Uses" by contacting you, and Customer will not be refused credit or other services just for this reason.

#### IV. Online Activity

Online activity information may also be collected in public and secure websites owned or operated by you or on behalf of you or your affiliates, or in any of your advertisements hosted on another person's websites, using cookies and other tracking technology, and used with other information about the Customer to assess the effectiveness of online promotions, to gather data about website functionality, to understand its interests and needs, to provide a customized online experience, and to communicate to the Customer information about the products or services. The Customer may choose not to have this information collected or used for the online personalization purposes described in this Section by contacting you.

#### V. Contacting You

Customer may obtain access to personal information you have about any of them at any time, including to review its content and accuracy and have it amended as appropriate, except to the extent access may be restricted as permitted or required by law. To request access to personal information or to request that Customer's information not be used for "Other Uses", Customer will contact Customer's main branch or call you toll free at 1-800 ROYAL® 1-1 (1-800-769-2511). More information about your privacy policies may be obtained by asking for a copy of the "Financial fraud prevention and privacy protection" brochure, calling the toll free number above or visiting your website at [www.rbc.com/privacysecurity/ca/](http://www.rbc.com/privacysecurity/ca/).

#### VI. Personal Information

The parties will treat all personal information in accordance with applicable laws. From time to time, you may request the Customer to take steps, including the entering into of additional documents, to ensure the protection of personal information and compliance with all applicable laws. The Customer will promptly comply with these requests.

#### VII. Other Persons

You are not responsible for any loss that occurs as a result of any use, including any unauthorized use, of information by any person, other than you and your Representatives to the extent agreed by you in this Agreement.

#### VIII. Consents, etc.

The Customer confirms that any necessary consent, approval, or authorization of any person has been obtained for the purposes of collecting, using, and disclosing their information in accordance with this Agreement and applicable laws.

#### IX. Additional Consent

The Customer's consents and agreements in this Agreement are in addition to any other consent, authorization, or preference of the Customer regarding the collection, use, disclosure, and retention of information.

#### X. Your Information

The Customer will use the products and services and your confidential information only for the purposes they are provided by you, and will ensure that your confidential information is not disclosed to any person except: (i) the Customer's Representatives who need to know such confidential information in connection with the products and services, provided that such Representatives are informed of the confidential nature of such confidential information and agree to treat same in accordance with terms substantially the same as in this Agreement; (ii) to the extent legally required, provided that, if not legally prohibited, the Customer will notify you in writing prior to any such disclosure; (iii) in accordance with this Agreement; or (iv) as otherwise agreed in writing by you.

#### XI. Remedies

In the event of a breach or anticipated breach by a party or its Representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing any remedies provided by applicable laws, seek to obtain equitable relief, including an injunction or an order of specific performance of the other party's confidentiality obligations under this Agreement.

29. **Liability Waiver Program:** The Liability Waiver Program applies to this Agreement and is made available at no cost to us. We may request you to waive, in accordance with the Liability Waiver Program, our liability under Section 9. for certain unauthorized charges posted to a Cardholder's Account. We agree to abide by the provisions of the Liability Waiver Program as in effect from time to time.
30. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original, and those counterparts together will constitute one and the same agreement.
31. **Governing Law:** This Agreement shall be governed by the laws of our jurisdiction (or the laws of Ontario if we reside outside Canada) and the applicable laws of Canada.
32. **Complete Agreement, etc.:** This Agreement constitutes the complete agreement between you and us with respect to the subject matter hereof. No failure on your part to exercise, and no delay by you in exercising, any right under this Agreement will operate as a waiver thereof; nor will any single or partial exercise by you of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, by you under this Agreement.

Signed as of the: 15 day of February, 2018  
Month Year

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

Customer Legal Name

Per:  \*  
Name: **Seama Shalchi-Moghaddam**  
Title: **President & Sole Director**

Per: \_\_\_\_\_ \*  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_ \*  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_ \*  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(\*I /WE have authority to bind the Corporation.)

## DISCLOSURE STATEMENT

1. **General:** This Disclosure Statement applies to the Account and each Card you have issued on the Account.
2. **Interest Rates:** The Interest Rates are set out on each Account Statement. They are expressed as annual percentage rates.
3. **Annual Fee\*\*:**

**Visa Business:** \$12.00 for each Visa Business Card.

**Visa Business Gold:** \$40.00 for each Visa Business Gold Card.

**Visa Business Platinum Avion®:** \$120.00 for the first Visa Business Platinum Avion Card opened and \$50.00 for each supplementary Visa Business Platinum Avion card opened by you.

\*\* Annual fees are not refundable

4. **Other Fees:** The following schedule of fees applies to the Account:

**A. Cash Advance Fee:** When we obtain the following types of Cash Advances at our standard Interest Rate (Cash Advances including Credit Card Cheques) or at an Introductory Interest Rate, a \$3.50 fee for each transaction will be charged to our Account, unless otherwise stated:

(i) cash withdrawals from our Account at one of your branches or ATMs, or at any other financial institution's ATM, in Canada;

(ii) bill payments from our Account (that are not pre-authorized charges that we set up with a merchant) or when we transfer funds from our Account to another RBC Royal Bank bank account at one of your branches or ATMs, or through your online banking or telephone banking service;

(iii) when we make Cash-Like transactions, in Canada.

If the cash withdrawal or Cash-Like transaction occurs outside Canada, a \$5.00 fee will be charged to our Account each time.

Fees are charged within 3 business days from when the transaction is posted.

There is no fee if we are using a Credit Card Cheque at our standard Interest Rate (Cash Advances including Credit Card Cheques) or Introductory Interest Rate.

**B. Promotional Rate Fee:** When we take advantage of a Promotional Interest Rate offer during the promotional period by writing a Credit Card Cheque or making a balance transfer through your online banking service or by calling your Cards Customer Service at 1-800 ROYAL® 1-2 (1-800-769-2512), a fee representing up to 3% of the Credit Card Cheque or balance transfer amount will be charged to our Account.

The exact Promotional Rate Fee will be disclosed at the time the offer is made to us. Fees are charged within 3 business days from when the transaction is posted.

**C. Dishonoured Payment Fee:** If a payment is not processed because a financial institution returns a cheque or refuses a pre-authorized debit, a \$45.00 fee will be charged to the Account on the date the payment reversal is posted. This fee is in addition to any fee charged for insufficient funds in the bank account.

**D. Statement Update Fee:** No charge for a copy of Account Statement for a current statement period; \$5.00 for a copy of Account Statement for any other statement period. A \$1.50 fee will be charged for each Account Statement update obtained from one of your branches in Canada or at a banking machine that provides Account Statement updates.

**E. Sales/Cash Advance Draft Copy Fee:** No charge for a copy of a sales or Cash Advance draft referred to in the Account Statement for the current statement period; \$2.00 for each copy of a sales or Cash Advance draft referred to in the Account Statement for any other statement period. (No charge for any draft copy to which an Account posting error applies.)

**F. Overlimit Fee:** If the Debt exceeds the Credit Limit at any time during the period covered by an Account Statement, a \$29.00 fee will be charged to the Account on the day the Debt exceeds the Credit Limit and on the first day of each subsequent Account Statement period if the Debt remains over the limit. A maximum of one Overlimit Fee per Account Statement period is charged.

5. **Foreign Currency Conversion:** The exchange rate shown on our Statement, to six decimal places, is calculated by dividing the converted Canadian dollar (CAD) amount, rounded to the nearest cent, by the transaction currency amount. It may differ from the original benchmark rate because of this rounding. The CAD amount charged to our account is 2.5% over the benchmark rate. Some foreign currency transactions are converted directly to CAD, while others may be converted first to U.S. dollars, then to CAD. In either case, the benchmark rate will be the actual exchange rate applied at the time of the conversion, and is generally set daily. The original benchmark rate at the time a transaction was converted may be obtained at [usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html](http://usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html). If we are paying interest on our Account, interest will also be charged on the full value of our foreign purchases, as determined by your exchange rate. For more information, please call toll-free at 1-800 ROYAL® 1-2 (1-800-769-2512).



This certificate is a valuable source of information. Please keep it in a safe place.

**What is RBC Royal Bank Liability Waiver Insurance?**

The RBC Royal Bank Liability Waiver Insurance program allows **Eligible Companies** that have entered into an agreement with Royal Bank of Canada ("Royal Bank") for the establishment of business and/or commercial **Card** accounts and the issuance of **Cards** to request Royal Bank to waive the **Eligible Company's** liability for certain Unauthorized Charges made by its **Cardholders**.

**Who Provides this Insurance?**

This insurance is provided by Royal & Sun Alliance Insurance Company of Canada (the "Insurer"). The policy number is PSIO48575914 (the "Policy").

**What is the Maximum Amount of Insurance?**

The RBC Royal Bank Liability Waiver Insurance program will waive the **Eligible Company's** liability for Unauthorized Charges up to \$100,000 CAD per **Card**, subject to the terms, conditions, limitations and exclusions in this Certificate.

**Definitions**

"**Affidavit of Waiver**" means a written request sent to Royal Bank by mail or fax from the **Eligible Company** requesting Royal Bank to waive the Unauthorized Charges in accordance with the terms and conditions of this program.

"**Card**" means an RBC® Visa<sup>+</sup> Business, RBC Visa Business Platinum Avion®, RBC Visa Business Gold, RBC Commercial Avion Visa, RBC Commercial Cash Back Visa, RBC Commercial Visa, RBC Commercial U.S. Dollar Visa issued by Royal Bank to a **Cardholder**.

"**Cardholder**" means the designated employee of an **Eligible Company** to whom a **Card** has been issued by Royal Bank, who is over 18 years of age, residing in Canada and who is authorized to use the **Card** for business purposes, in accordance with the **Eligible Company's** internal policies. The **Eligible Company** will not request any person to receive a **Card** on any of its present or future accounts if that person has been named at any time by the **Eligible Company** in an **Affidavit of Waiver**.

"**Charges**" means the amounts, billed or unbilled, including purchases and cash advances, charged to a **Card**.

"**Date of Notification of Employment Termination**" means the date the **Eligible Company** gives or receives a written notice of immediate or pending employment termination of a **Cardholder** or the date on which the **Cardholder** leaves the **Eligible Company's** service, whichever is earlier, or if the **Cardholder** is a member of a bargaining unit of a union and the employer contract includes grievance procedures, the date the **Eligible Company** files a grievance with the labour arbitrator recommending the **Cardholder's** employment be terminated.

"**Eligible Company**" means a corporation, partnership, sole proprietorship or any other entity which has entered into an agreement with Royal Bank for the establishment of **Card** accounts and the issuance of **Cards**, if such agreement is still active and in force.

"**RBC**" shall mean Royal Bank of Canada.

"**Waiver Date**" is the date on the **Affidavit of Waiver** sent from the **Eligible Company** to Royal Bank.

**What are Unauthorized Charges?**

A. "Unauthorized Charges" are Charges to a **Cardholder's Card**

incurred by a **Cardholder**:

- a) which are not made in accordance with the **Eligible Company's** internal policies and/or which do not benefit the **Eligible Company** directly or indirectly, in whole or in part; or
- b) for which the **Eligible Company** has reimbursed the **Cardholder** but the **Cardholder** has not paid Royal Bank.

Provided that such Unauthorized Charges:

- i) are billed within the seventy-five (75) days preceding the **Date of Notification of Employment Termination**, or preceding the date Royal Bank receives the request from the **Eligible Company** to cancel the **Card** on which Unauthorized Charges were incurred;
- ii) are unbilled up to fourteen (14) days after Royal Bank has received a request to cancel the **Card** but were incurred prior to such request being received and provided the **Eligible Company** must have notified Royal Bank within two (2) business days of the **Date of Notice of Employment Termination**;
- iii) are discovered no later than 75 days after the termination of:
  - a) the Policy; or
  - b) the insurance in respect of the **Eligible Company**; whichever occurs first.

B. Auditors fees incurred with the Insurer's written consent solely to substantiate the amount of the claim are covered.

**What are Not Waivable Charges?**

The following **Charges** are excluded and not covered by this Policy, whether they are Unauthorized Charges or authorized **Charges**.

1. **Charges** made by partners, owners, or principal shareholders who own more than five percent (5%) of the **Eligible Company's** outstanding shares, or persons who are not employees of the **Eligible Company** at the time **Charges** were incurred.
2. Interest or fees imposed by Royal Bank on outstanding unpaid **Charges**.
3. In cases where Royal Bank invoices the **Cardholder**, any amount on a cheque submitted by a **Cardholder** which is not paid by the **Cardholder's** financial institution, if the **Cardholder** has, within the last twelve (12) months, submitted any other cheque to Royal Bank which was not paid by the **Cardholder's** financial institution.
4. **Charges** to purchase goods or services for the **Eligible Company** or bought for someone else if instructed or approved by the **Eligible Company** will not be covered. However, these **Charges** will be covered if Royal Bank bills the **Cardholder** directly, where the **Eligible Company** has reimbursed the **Cardholder** and the **Cardholder** has not paid Royal Bank.
5. **Charges** billed by the **Cardholder** more than fourteen (14) days after **Date of Notification of Employment Termination**.
6. **Charges** billed by the **Cardholder** more than fourteen (14) days after Royal Bank receives the request from the **Eligible Company** to cancel the **Card**.
7. **Charges** billed on or after the **Date of Notification of Employment Termination** if such **Notification of Employment**





Termination was not sent to Royal Bank within two (2) business days of the Date of Notification of Employment Termination.

8. **Charges** billed if the **Eligible Company** has not notified Royal Bank in writing to cancel the **Card** within two (2) business days of the **Eligible Company's** intention to cancel the **Card** or given notice to the **Cardholder** to stop using the **Card** or cancels the **Card** in accordance with the cancellation policy with Royal Bank.
9. **Charges** resulting from either a lost or stolen **Card** or **Charges** to a **Card** which is closed, frozen or ninety (90) or more days delinquent.
10. Cash advances after the **Date of Notification of Employment Termination** or immediately after Royal Bank receives the request by the **Eligible Company** to cancel the **Card**, in excess of \$300.00 per day per **Cardholder**, or a maximum of \$1,000.00 per **Cardholder**, whichever is less.
11. Any interest on money owing.

#### What are the Responsibilities of the Eligible Company?

**Notification to Royal Bank.** The **Eligible Company** may request Royal Bank to waive the **Eligible Company's** liability for Unauthorized Charges only if the **Eligible Company** meets all of the following requirements:

1. The **Eligible Company** must use its best efforts to retrieve the **Card** from the **Cardholder** and notify Royal Bank in writing to cancel the **Card** within two (2) business days of:
  - (i) the **Date of Notification of Employment Termination**; or
  - (ii) the **Eligible Company's** intention to cancel the **Card** and/or notice to the **Cardholder** to stop using the **Card**; and
 such letter must state:
  - (i) If applicable, that the **Cardholder's** employment has terminated and the **Date of Notification of Employment Termination**.
  - (ii) If applicable, that the **Card** is cancelled or no longer authorized.
  - (iii) The **Cardholder's** name, home address and, if the **Cardholder's** employment was terminated, the last known business addresses and **Card** number.
  - (iv) If the **Card** was retrieved from the **Cardholder** and, if so, the date it was retrieved and confirmation that such **Card** is still in the **Eligible Company's** possession or is enclosed therein.
  - (v) The **Eligible Company** requests the waiver of Unauthorized Charges.

**Notification to Cardholder.** In cases where Royal Bank sends its statements directly to the **Cardholder**, the **Eligible Company** must deliver to the **Cardholder** or send, by first-class mail in writing, a notice stating the **Cardholder's** right to use the **Card** has been cancelled, and instruct the **Cardholder** to:

- (i) immediately discontinue all use of that **Card**;
- (ii) immediately pay any outstanding **Charges** to Royal Bank; and
- (iii) immediately return the **Card** to the **Eligible Company**.

If the **Eligible Company** knows that a **Cardholder** is receiving reimbursement for **Charges** but is not paying Royal Bank for those **Charges**, the **Eligible Company** must promptly give written notice to Royal Bank.

#### How To Make a Claim

1. An authorized official of the **Eligible Company** must send an "Affidavit of Waiver" to Royal Bank in writing by mail or fax. The **Affidavit of Waiver** must be sent within thirty (30) days of the employee's **Notification of Employment Termination** or the date of the **Eligible Company's** intention to cancel the **Card**.
2. All claim documents must be filed with the insurer within six (6) months from the employee's **Date of Notification of Employment Termination**.

#### Inquiries

Please direct any claim inquiries to:

Royal & Sun Alliance Insurance Company of Canada  
 Attention: Claims Management Services  
 2225 Erin Mills Parkway, Suite 1000  
 Mississauga, Ontario  
 L5K 2S9

Within the Toronto Region telephone (905) 412-2015  
 Outside the Toronto Region telephone 1-866-832-1354

Please refer to the program and the Policy number.

#### Recovery

1. If the **Eligible Company** recovers any amounts for Unauthorized Charges from any source after the **Eligible Company** has filed an **Affidavit of Waiver** with Royal Bank, the **Eligible Company** will remit all such amounts to Royal Bank. The **Eligible Company** agrees to assign any rights it may have to collect such amounts from the **Cardholder** to Royal Bank. The **Eligible Company** agrees to assign any rights it may have to collect such amounts from the **Cardholder** to the Insurer.
2. Royal Bank agrees to forward any recovered amounts to the Insurer, if the Insurer has already reimbursed Royal Bank for the Unauthorized Charges.

#### Other Insurance

This program does not cover losses that are covered by other insurance, and/or, losses that would have been paid if this program did not exist. Losses that are above those covered by other insurance as noted, but less than the limit of this coverage, are eligible for payment.

This certificate is not a contract of insurance. It contains only a summary of the principal provisions of the Policy. In the event of any conflict between the description of coverage in this certificate and the Policy, the Policy will govern.

#### Termination

Coverage under this Policy will automatically terminate on the earliest of the following:

- 1) the date the **Eligible Company's** agreement with Royal Bank for the establishment of **Card** accounts and the issuance of **Cards** is cancelled; or
- 2) the date the Policy terminates; or
- 3) thirty (30) days after the date of written request for cancellation by Royal Bank.

#### Misstatement

Any fraud, misstatement or concealment by the **Eligible Company** either in regard to any matter affecting this insurance or in connection with the making of a claim shall render this insurance null and void.

#### Currency

All claims will be paid in Canadian dollars.

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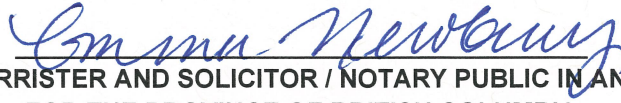
† All other trademarks are the property of their respective owner(s).

THIS IS EXHIBIT "4"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

2018/09/20 4 608601



Revised 07/17  
Royal Bank of Canada  
**Master Lease Agreement**  
(PPSA - S)

This Master Lease Agreement (the "Master Lease Agreement") made as of the 9th day of March, 2018 between

**ROYAL BANK OF CANADA** ("Lessor")

and

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION** ("Lessee")

Address:  
5575 North Service Rd,  
Suite 300,  
Burlington, Ontario  
L7L 6M1

Address:  
20 Discovery Ridge Rise Sw  
Calgary, Alberta  
T3H 4R2

Lessor and Lessee agree as follows:

**1. Leasing of Equipment**

- 1.1 Lessor may, from time to time, at its option, on the request of Lessee, acquire equipment for leasing to the Lessee ("Equipment"), pursuant to the terms of this Lease Agreement and the relevant supplemental agreement ("Leasing Schedule").
- 1.2 Neither the Lessor, nor the Lessee on behalf of Lessor, will order or acquire any Equipment unless Lessee has executed such documents and agreements as Lessor may require. Lessee will advise Lessor promptly of any Equipment ordered or acquired by Lessee on behalf of Lessor pursuant to this Lease Agreement.
- 1.3 Lessee will provide Lessor with a copy of the invoice for each item of Equipment to be purchased pursuant to this Lease Agreement, addressed to Lessor. A Leasing Schedule for that Equipment shall be entered into before payment is made for the Equipment.
- 1.4 Lessee shall conduct such acceptance testing of any Equipment to be purchased pursuant to this Lease Agreement as may be appropriate in the circumstances, and promptly upon successful completion of that acceptance testing shall sign the relevant Leasing Schedule for the Equipment, and return one executed Leasing Schedule to the Lessor.
- 1.5 Lessor shall have no responsibility under any purchase order or any purchase or license agreement or any Leasing Schedule if Lessee does not accept the Equipment and sign and deliver to Lessor the Leasing Schedule(s) and acceptance certificate for that Equipment. Any agreement with the seller of the Equipment will include a provision to this effect.
- 1.6 Each Leasing Schedule shall constitute a separate Lease of the Equipment described in the Leasing Schedule but incorporating the terms of this Lease Agreement. In the event of a conflict between the terms of this Lease Agreement and any Leasing Schedule with respect to any Lease, the terms of the Leasing Schedule shall govern.
- 1.7 Terms not otherwise defined herein shall have the same meaning ascribed under the Leasing Schedule.

**2. Payment of Equipment Cost**

- 2.1 Lessor will pay the agreed cost to be funded by Lessor for the Equipment acquired pursuant to this Lease Agreement on the later of: (i) the due date for payment, and (ii) delivery of the signed Leasing Schedule.

**3. Rental**

- 3.1 Lessee shall pay to Lessor the rental payable, as set out in the Leasing Schedule. The first installment is payable on the Commencement Date of the Term and the last of such installments is payable on the Termination Date of Term, all as shown on the relevant Leasing Schedule.

**4. Rent Payment**

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- 4.1 The Total Rental Installments shall be paid at the office of Lessor, at the address set out on page 1 of this Lease Agreement, or at such other place in Canada as Lessor may from time to time designate by notice.

**5. Ownership**

- 5.1 Title to, ownership of, and property in, the Equipment shall at all times be and remain solely and exclusively in the Lessor, subject only to the rights of Lessee to use the Equipment pursuant to the provisions of this Lease, and to purchase the same pursuant to any option granted in the relevant Leasing Schedule.

**6. Personal Property**

- 6.1 Notwithstanding any purposes for which the Equipment may be used or that it may become in any manner affixed or attached to or embedded in or permanently rested upon land or any structure thereon, it shall remain moveable personal property, and subject to all of the rights of Lessor under the Lease to which it is subject.
- 6.2 Lessee agrees to use all reasonable commercial efforts to obtain a waiver, if required by and in a form satisfactory to Lessor, from any landlord, mortgagee, hypothecary creditor or other encumbrancers or any person having any interest in the land or structure referred to in Section 6.1 hereof consenting to this Lease Agreement and any relevant Leasing Schedule, and to the exercise by Lessor of its rights thereunder and hereunder and declaring that such encumbrances do not affect the Equipment.
- 6.3 Solely for the purpose of, and to the extent reasonably necessary to protect the interest of the Lessor as to its title and first priority interest in the Equipment, and without election or admission that this Agreement or any Leasing Schedule is a finance lease, the Lessee grants a security interest in any interest of the Lessee in the Equipment to the Lessor.

**7. Licence**

- 7.1 Lessee agrees that Lessor:
  - (a) may at any time and from time to time, if an Event of Default (s 18) has occurred and is continuing, enter upon any lands and premises where any Equipment is located with all such force as may be reasonably required, to dismantle, detach and remove the Equipment or render it unusable;
  - (b) shall not be liable for any damage done to those lands or premises in exercising those rights, save only such damage as may be caused by the gross negligence or willful act of Lessor or its agents or servants; and
  - (c) may, at its election, register, by way of caveat or otherwise, against those lands and premises of its rights under the Lease.

**8. Exclusion of Warranties**

- 8.1 Lessee acknowledges that the Equipment will be personally chosen and selected by Lessee and that it will be of a make,

- size, design and capacity specified by Lessee for the purpose intended by Lessee.
- 8.2 Lessee confirms that Lessor does not make or give any representation or warranty, express or implied, as to the Equipment, its condition, fitness or suitability for any particular use intended by Lessee.
- 8.3 Lessee shall bear the risk of any theft, loss or destruction of or damage to any item of Equipment. Lessee acknowledges that none of these events will in any way affect its obligations, which will continue in full force and effect, except to the extent of any proceeds of any insurance maintained by Lessee that are actually received by Lessor.
- 8.4 Lessee shall not exert or claim against Lessor any defense, write-off, set-off, claim or counterclaim to which Lessee may be entitled against the supplier(s), and no such right shall affect the Lessor's obligations.
- 9. Maintenance and Use**
- 9.1 Lessee will, at its own expense:
- (a) keep the Equipment in good operating condition and repair including, without limitation, the repair of any damage to the Equipment, whatever the cost, except for the repair of ordinary wear and tear, provided that Lessee will repair ordinary wear and tear if such repair is required to maintain the Equipment in good operating condition and repair; and
- (b) comply in all respects with all recommendations, or requirements of the supplier(s) or manufacturer(s) regarding the Equipment, as may be necessary to preserve all warranties.
- 9.2 Any parts or anything else that are, as part of Lessee's maintenance and repair of the Equipment, placed in or upon the Equipment shall form part of the Equipment, become property of the Lessor, and be free of all adverse claims.
- 10. Inspection**
- 10.1 Lessor and its agents shall have the right to inspect the Equipment at any reasonable time upon reasonable notice to Lessee, and Lessee shall afford all reasonable facilities required by the Lessor or its agents for the purpose of inspection, and for that purpose may enter any premises where the Equipment is located.
- 11. Insurance**
- 11.1 As and from the earlier of the date upon which Lessor acquires ownership of, or title to, the Equipment or the date on which Lessee takes possession or control of the Equipment, and thereafter throughout the term of each relevant Leasing Schedule, Lessee shall, at its sole expense:
- (a) place and maintain all risks property insurance on the Equipment, in amounts satisfactory to Lessor, consistent with Lessee's normal and usual practice for insuring equipment of the same general classification. This property damage insurance shall specifically state by its wording or by endorsement that it:
- i) includes Lessor (as owner) as an additional named insured;
- ii) includes a loss payable clause in favour of Lessor;
- iii) includes a waiver of subrogation clause in favour of Lessor;
- (b) place and maintain comprehensive general liability insurance, and automobile liability insurance in the case of leased licensed motor vehicles, with limits of liability satisfactory to Lessor for injury to or death of any one or more persons or damage to property. Said insurance shall specifically state by its wording or by endorsement that it:
- i) extends to cover the liabilities of the Lessee from the use or possession of the Equipment;
- ii) includes Lessor as an additional named insured, and
- iii) includes a cross liability provision that the policy shall insure each person, firm or corporation insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each, but the inclusion therein of more than one insured shall not operate to increase the limits of the insurers' liability.
- 11.2 Lessee shall supply Lessor with a certificate of insurance or other evidence satisfactory to Lessor evidencing the foregoing coverage and evidence of its renewal or replacement from time to time, so long as any Leasing Schedule remains in force and effect.
- 12. Taxes**
- 12.1 Lessee shall pay punctually all sales taxes, licence fees, business taxes, levies and assessments of every nature and kind whatsoever which be or become payable at any time or from time to time upon, or in respect of, the Equipment, and any payments to be made under this Lease Agreement or any Leasing Schedule, except for income taxes payable by Lessor.
- 13. Adverse Claims**
- 13.1 Lessee shall keep the Equipment free and clear of all adverse claims. Lessee may contest any adverse claim provided that Lessee:
- a) gives Lessor notice of the adverse claim;
- b) provides Lessor with an indemnity and collateral security, both satisfactory to Lessor; and
- c) contests the adverse claim with all due dispatch.
- 14. Laws and Regulations**
- 14.1 Lessee shall comply with all laws, by-laws and regulations relating to the ownership, possession, operation and maintenance of the Equipment including, without limiting the generality of the foregoing, laws, by-laws or regulations dealing with the protection of the environment, health and safety. Lessee will obtain and maintain all necessary licenses, permits and permissions required for the use of the Equipment.
- 15. Alterations**
- 15.1 All alterations, additions or improvements made by Lessee to the Equipment shall be at Lessee's expense and shall belong to and become the property of Lessor and be subject to all the provisions of this Leasing Agreement and the relevant Leasing Schedule.
- 16. Loss of Equipment**
- 16.1 Lessee shall bear the risks of (i) any total loss, or loss that amounts, in the sole opinion of the Lessor, to a total loss of the Equipment through theft, damage, destruction, or even by superior force and (ii) any expropriation or other compulsory taking or use of the Equipment by any government or other authority ("Loss of Equipment"). If a Loss of Equipment occurs, Lessee shall pay to Lessor an amount calculated by discounting the aggregate amount of all Rental Instalments, including the Purchase Option amount, if any, specified under the applicable Leasing Schedule which were to be paid during the remainder of the Term, using an assumed rate equal to the lesser of:
- i) five percent (5%);
- ii) the bond rate at the date, for the equivalent term to maturity, of the applicable Leasing Schedule; and
- iii) the bond rate at the date of the discount calculation for a term equivalent to the remaining term of such Leasing Schedule (with, in the case of (i) and (iii), Canadian dollar obligations being benchmarked against bonds issued by the Government of Canada and U.S. dollar obligations being benchmarked against bonds issued by the Government of the United States of America)

16.2 Upon such payment, Lessor shall convey on an "as is", "where is" basis, subject to the rights of the insurer, all its right, title and interest in the Equipment and any claim for proceeds of loss of equipment, in which case the Lease shall terminate with respect to that Equipment, and no further rental payment shall be payable thereafter with respect to that Equipment. All Federal and Provincial sales or transfer taxes, licence fees and similar assessments connected with the transfer of Lessor's right, title and interest to the Equipment to Lessee shall be paid by Lessee.

#### 17. Lessee's Acknowledgements - Foreseeable Damages

17.1 Lessee hereby acknowledges that Lessor:

(a) has or will acquire the Equipment at the request and direction of Lessee and for the purpose of leasing same to Lessee under a Leasing Schedule; and

(b) intends to treat the lease of Equipment to the Lessee as a true lease and to claim over the term of the lease all available tax benefits.

Lessee acknowledges that if an Event of Default occurs, Lessor's return on its investment may be adversely affected. In that case Lessor may, in addition to its immediate loss of interest on its investments, sustain and claim from Lessee other foreseeable damages which cannot be quantified on the date of execution of this Lease Agreement or any Leasing Schedule. Those damages may include, without limitation, loss of fiscal benefits for the remainder of the term of any lease of any Equipment or increased tax liabilities or both, unanticipated increased administrative costs, amortized but unrecovered setup costs, fees and disbursements as well as additional or increased monetary liabilities towards any third party lender, under or by reason of such Event of Default and the premature termination of the lease of any Equipment and the funding thereof.

#### 18. Events of Default

18.1 Any of the following is an "Event of Default":

(a) Failure by Lessee to pay any Total Rental Installment or other amount pursuant to any Leasing Schedule.

(b) Failure by Lessee to perform any of its obligations under Sections 11 or 14 of this Lease.

(c) Failure of Lessee to perform any of its other obligations within 15 days of notice from Lessor as to the failure and requiring it to be rectified.

(d) The bankruptcy or insolvency of Lessee, the filing against Lessee of a petition in bankruptcy, the making of an authorized assignment for the benefit of creditors by Lessee, the appointment of a receiver or trustee for Lessee or for any assets of Lessee or the institution by or against Lessee of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise, or the institution by or against Lessee of any formal or informal proceedings for the dissolution or liquidation of, settlement of, claim against or winding up of affairs of Lessee.

(e) The amalgamation of Lessee with another corporation or corporations, or continuation of Lessee under a statute other than the statute under which it exists at the date of execution of this Lease Agreement.

(f) If any adverse claim becomes enforceable against Lessee affecting or against any Equipment.

(g) Failure of the Lessee to perform any obligation it may have under any agreement with Royal Bank of Canada or any of its subsidiaries.

(h) A change that is, in the opinion of Lessor, a material adverse change in the business, financial condition or ownership of Lessee or Equipment.

#### 19. Lessor's Remedies on Default

19.1 If an Event of Default occurs, Lessor may, without notice to Lessee, take possession of all Equipment, and for that purpose may enter any premises where any of the Equipment is located. Lessor may sell, lease or otherwise dispose of Equipment for such consideration and upon such terms and conditions as it considers reasonable. This includes, without limitation, the right in the name of and as the irrevocably appointed agent and attorney of Lessee, to lease any item of the Equipment to any other person upon such terms and conditions, for such rental and for such period of time as Lessor may deem reasonable, without terminating or being deemed to have terminated the relevant Leasing Schedule, and to receive that rental and hold and apply it against any amount owing by Lessee to Lessor under the Lease. All of these rights are without prejudice to Lessor's other rights and recourses against Lessee, at law or in equity.

19.2 If an Event of Default occurs, then whether or not Lessor has taken possession of any Equipment, Lessee shall pay to Lessor on demand an amount determined as follows:

a) an amount calculated by discounting the aggregate amount of all Rental Installments, including the Purchase Option amount, if any, specified under the applicable Leasing Schedule which were to be paid during the remainder of the Term, using an assumed rate equal to the lesser of:

i) five percent (5%);

ii) the bond rate at the date, for the equivalent term to maturity, of the applicable Leasing Schedule; and

iii) the bond rate at the date of the discount calculation for a term equivalent to the remaining term of such Leasing Schedule (with, in the case of (ii) and (iii), Canadian dollar obligations being benchmarked against bonds issued by the Government of Canada and U.S. dollar obligations being benchmarked against bonds issued by the Government of the United States of America); plus:

b) the amount of any damages described in Section 17.1 suffered or sustained by Lessor and not recovered pursuant to Section 19.2 (a); plus

c) the amount of any Total Rental Installments or payments of interim rental due as of the date of Event of Default and unpaid, and any other amount due on that date and unpaid under the Lease; plus

d) any cost of disposition of the Equipment; less

e) the amount of any security deposits under that Leasing Schedule and any proceeds of the disposal of the Equipment actually received by Lessor.

19.3 If Lessor has leased Equipment pursuant to its rights under this Section 19 it may demand payment under Section 19.2, and account to Lessee for the proceeds of that lease as and when Lessor receives them.

19.4 If Lessor has not taken possession of the Equipment, and Lessee pays Lessor the amount determined under Section 19.2 hereof, then Lessor will convey all of its right, title and interest in all Equipment to Lessee, on the terms of Sections 21.5 and 21.6 hereof

#### 20. Lessor's Option to Terminate

20.1 Lessee agrees that neither this Lease Agreement nor any Leasing Schedule, nor any interest therein or in any Equipment, shall be assignable or transferable by operation of law and it is agreed and covenanted by and between the parties hereto that if any Event of Default shall occur or happen, then this Lease Agreement and any and all Leasing Schedules shall, at the option of the Lessor to be exercised by notice hereunder, immediately end and terminate and

neither this Lease Agreement nor any Leasing Schedule or any interest therein shall be an asset of Lessee after the exercise of that option; provided that no such termination shall terminate or affect any right or remedy which shall have arisen under the Lease prior to such termination.

#### 21. Option to Purchase

21.1 If there is no Event of Default, Lessor hereby grants to Lessee an option to purchase whatever title Lessor may have to the Equipment for the purchase price and at the time or times set forth in the relevant Leasing Schedule.

21.2 This option to purchase may be exercised by Lessee by giving to Lessor notice of Lessee's intention to exercise such option, at least thirty (30) days prior to the date of intended purchase, describing the Equipment with respect to which such option is being exercised.

21.3 The intended purchase and sale shall be concluded on a date specified in the said notice falling on or after, the date stated in the relevant Leasing Schedule, but in any event not later than the termination date of the term pertaining to the Equipment being purchased.

21.4 Upon the exercise of this option, there shall be a binding agreement for the sale and purchase of the Equipment described in the notice on the terms and conditions provided herein. The purchase price shall be paid to Lessor at the time of the conclusion of the sale.

21.5 Upon this purchase, Lessor shall sell the Equipment so purchased free and clear of all interests of Lessor under this Lease Agreement and any Leasing Schedule and thereupon this Lease shall terminate with respect to the Equipment so purchased. The sale shall be on an "as-is where-is" basis and be without representation or warranty by Lessor except that it has the right to sell the Equipment to Lessee and that it has not given any security interest in the Equipment to any third party.

21.6 Lessee shall bear the cost of any taxes, licence or registration fees or other assessments or charges imposed on, or connected with, the transfer of title to and ownership of the Equipment.

#### 22. Remedying Defaults

22.1 If Lessee shall fail to perform or comply with any of its obligations under this Lease Agreement or any Leasing Schedule, Lessor at its discretion may do all such acts and make all such disbursements as may be necessary to cure the default and any costs incurred or disbursements made by Lessor incurring any such default shall be payable by Lessee on demand.

#### 23. Indemnification

23.1 Lessee will indemnify Lessor and save Lessor harmless from and against all loss, costs, damage or expense of every nature and kind whatsoever sustained or suffered by Lessor, or for which the Lessor may be or become liable, resulting from:

- (a) the execution of the Lease Agreement or any Leasing Schedule by Lessor or the purchase or ownership by Lessor of the Equipment;
- (b) the non-acceptance by Lessee or the failure, refusal or neglect of Lessee to accept the Equipment;
- (c) the moving, delivery, maintenance, repair, use, operation or possession of the Equipment by Lessee or the ownership thereof or other rights held therein by Lessor; or
- (d) the failure of Lessee to comply with any of its obligations under the Lease Agreement or a Leasing Schedule, unless caused by the act or neglect of Lessor, its servants or agents.

#### 24. Assignment of Warranties

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24.1 Lessor hereby assigns to Lessee the benefit of all warranties resulting from the sale entered into with the supplier for its use during the term of the Lease.

#### 25. Patent Infringement

25.1 Lessee shall defend and hold Lessor free and harmless from any cost, loss, damage or expense suffered or incurred by Lessor in any suit, proceeding or otherwise so far as the same is based on any claim that the use or operation of the Equipment by Lessee infringes any patent or copyright.

#### 26. Overdue Payment

26.1 Any overdue payment shall bear interest at the rate of Royal Bank Prime Interest Rate plus five per cent (5%) per annum calculated monthly whether before or after judgement, from the date it is due until paid.

#### 27. Delivery at Termination

27.1 Lessee shall on the expiration or sooner termination of any Lease, surrender the Equipment to Lessor at a place in Canada designated by Lessor in good order and repair, ordinary wear and tear excepted.

27.2 In the event that with or without the consent of Lessor, Lessee remains in the possession of or uses the Equipment after the expiration of the term of the Lease pertaining thereto, all the provisions of the Lease shall apply thereto, including the payment of rental and all other payments required, unless and until the same has been surrendered pursuant to the terms of this section, or Lessor has relieved Lessee from its obligations under the Lease with respect to the Equipment.

#### 28. Notice

28.1 Any notice required to be given hereunder shall be in writing and may be personally delivered or sent by facsimile or may be forwarded by registered mail. If any such notice is so mailed it shall be deemed to have been given by the sender and received by the party hereto to whom it has been addressed two business days after the due mailing thereof by prepaid registered mail addressed to the address shown on page 1 of this Lease Agreement or on the same business day if sent by delivery or facsimile.

28.2 Any person to whom a notice is required to be addressed may from time to time give notice of any change of address and in such event the foregoing addresses shall be deemed to have been changed accordingly.

#### 29. Assignment and Sub-Letting

29.1 Lessee will not assign any Lease or sub-let any Equipment without the prior consent in writing of Lessor, such consent not to be unreasonably withheld. No assignment of the Lease or sub-letting of any Equipment shall relieve the Lessee of his obligations hereunder nor shall any subletting be for a term which extends beyond the expiration of the term of the Lease Agreement.

#### 30. Corporate Waiver

30.1 Lessee waives its right to receive a copy of any financing statement or financing change statement registered by Lessor.

30.2 The Lessee hereby acknowledges that seizure or repossession of the Equipment referred to in any Lease shall not, by implication of law, extinguish the Lessee's indebtedness under any such Lease or other collateral security.

#### 31. Limitation of Civil Rights - Saskatchewan

31.1 Lessee covenants and agrees with Lessor that The Limitation of Civil Rights Act of the Province of Saskatchewan shall have no application to this Lease Agreement or any Leasing Schedule.

#### 32. Successors and Assigns

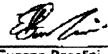
2020/09/02 4

- 32.1 The Lease Agreement and each Leasing Schedule shall ensure to the benefit of, and be binding upon Lessor and Lessee, their successor and permitted assigns and the sub-lessees of Lessee. Lessor shall be at liberty to assign and otherwise deal with its rights under any Lease.
- 33. Location of Equipment**
  - 33.1 Lessee shall not part with possession of the Equipment.
  - 33.2 Lessee declares that the Equipment will be located at the "Place of Use" in the relevant Leasing Schedule. If the location changes, Lessee will promptly give to Lessor notice of the new location not later than five (5) days after the change.
- 34. Records**
  - 34.1 Lessee shall maintain a record describing each item of Equipment, all changes, replacements, modifications and alterations thereto and the cost thereof. The record described shall be available to Lessor, its representatives or agents for inspection and to copy.
- 35. Offset**
  - 35.1 Lessee hereby waives any and all existing and future claims and offsets against any payment due to Lessor hereunder and agrees to pay those amounts due hereunder regardless of any offset or claim which may be asserted by Lessee or on its behalf.
- 36. Remedies Cumulative**
  - 36.1 All rights and remedies of Lessor hereunder are cumulative and not alternative and may be exercised by Lessor separately or together, in any order, sequence of combination.
- 37. Time**
  - 37.1 Time is and shall be in all respects of the essence of any Lease.
- 38. Entire Transaction**
  - 38.1 This Lease Agreement and Leasing Schedules represent the entire transaction between the parties hereto relating to the subject matter.
  - 38.2 No agreement purporting to amend or modify this Lease Agreement or any Leasing Schedule or any document, paper or written relating hereto or thereto, or connected herewith or therewith, shall be valid and binding upon the parties hereto unless in writing and signed and accepted in writing by both parties hereto.
- 39. No Merger In Judgment**
  - 39.1 The taking of any judgment under this Lease Agreement or any Leasing Schedule shall not operate as a merger of any term, condition or provision hereof or thereof.
- 40. Further Assurances/Copy of Agreement**
  - 40.1 Lessee shall give further assurances and do, execute and perform all such acts, deeds, documents and things as may

- be reasonably required to enable Lessor to have the full benefit of all rights and remedies intended to be reserved or created hereby.
- 40.2 Lessee acknowledges receipt of a copy of this Lease Agreement.
- 41. Proper Law**
  - 41.1 This Lease Agreement and each Leasing Schedule hereto shall be governed, construed and enforced in accordance with the laws of the Province of Alberta.
- 42. Currency**
  - 42.1 All sums payable by Lessee to Lessor under this Lease Agreement or any Leasing Schedule hereto shall be paid in Canadian dollars, unless otherwise specified in the Leasing Schedule.
- 43. Language**
  - 43.1 This Lease Agreement and each Leasing Schedule are drawn up in the English language at the request of both parties.  
Le présent contrat de location a été rédigé en langue anglaise à la demande des deux parties.
- 44. General**
  - 44.1 Any terms herein defined in the singular number shall have a corresponding meaning when used in the plural.
  - 44.2 Any act or deed required to be observed, performed or done hereunder falling on a Saturday, Sunday or other statutory holiday shall be observed, performed or done on the business day next following but any delay hereby granted shall not extend to relieve either party from the due performance and fulfillment of its obligations hereunder.
- 45. Facsimile Language**
  - 45.1 The Lessor will be entitled to rely on any signature appearing on a facsimile transmission that purports to be a signature of the Lessee or of a representative of the Lessee as being authorized, valid and binding on the Lessee, even if the signature was not, in fact, signed by the Lessee or its representative. The Lessee will keep the originals of all documents and instructions transmitted to the Lessor by facsimile, and will produce them to the Lessor upon request. Lessor and the Lessee agree that a copy of a document transmitted by fax shall be admissible as evidence of its contents and its execution by the parties in the same manner as an original document, and expressly waive any right to object to its introduction in evidence, including any right to object based on the best evidence rule.
- 46. Financial Information**
  - 46.1 Lessee will provide to the Lessor from time to time such information about Lessee and Lessee's business as the Lessor shall reasonably request, including, without limitation, bank and financing ratings, any financial statements prepared by or for Lessee regarding Lessee's business.


In witness whereof the parties hereto have executed this Lease Agreement on the 2020/09/02 over the hands of their proper signing officers duly authorized in that behalf:

Royal Bank of Canada  
CORPORATION

per   
Eugene Basolini  
Head, Equipment Finance Solution Centre

per \_\_\_\_\_

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL

per 

per \_\_\_\_\_

1-800-387-4637



# Leasing Schedule

(PPSA - S)

Lessee # 579464900 Lease # 20100038720

Royal Bank of Canada, as Lessor, hereby leases to SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION as Lessee, the Equipment hereinafter described, in consideration of rental and for the term hereinafter set forth the whole pursuant to and subject to the terms and conditions set forth in that certain Master Leasing Agreement entered into between the Lessor and the Lessee as of March 6, 2018

| 1. Equipment  | Quantity  | Make and Description                      | Model Number      | Serial Number |
|---|---|---|-------------------|---------------|
|   |   | Medical Equipment, Leasehold Improvements |                   |               |
| <i>All Equipment, goods and services as further detailed on the equipment schedule A attached hereto, including all attachments, additions, replacements and substitutions.</i> |   |   |                   |               |
| Subject to Floating Rate Addendum   |   |   |                   |               |
| 2. Term   | Term (in months)  |   | 120               |               |
|   | Commencement Date of Term   |   | September 5, 2018 |               |
|   | Termination Date of Term  |   | September 5, 2028 |               |
| 3. Rental   | Rental Installment, payable Monthly, In advance   | Please refer attached Payment Schedule    |                   |               |
|   | GST/HST, if any   |   |                   |               |
|   | PST/QST, if any   |   |                   |               |
|   | Total Monthly Rental Installment  |   |                   |               |
|   | Other Charges (plus applicable taxes)   | \$500.00                                  |                   |               |
| 4. Option to Purchase   | Option to Purchase Date   | Purchase Price                            |                   |               |
|   | September 4, 2028   | \$1.00                                    |                   |               |
| 5. Place of Use   | Suite 304, 11420-27th St S.E. Calgary Alberta T2Z 3R6<br>20 Discovery Ridge Rise Sw Calgary Alberta T3H 4R2   |   |                   |               |
| 6. Equipment Acceptance Certificate   | The Lessee hereby certifies that all the equipment identified above in Section (1) of this Leasing Schedule has been received in good condition as ordered and has been assembled, installed, tested, etc., applicable, and is operating in accordance with the manufacturers' specification. Lessee has made or caused to be made all such tests and inspections of the Equipment, as they have reasonably deemed necessary to satisfy themselves as to the foregoing. Without prejudice to the Lessee's rights against manufacturers, suppliers or other, the Lessee hereby releases and discharges the Lessor from any and all actions, causes of actions, claims, demands, rights, defences, setoffs, abatements and compensation now or hereinafter arising out of or in relation to the Equipment, or, without limitation, any latent defect therein. |   |                   |               |

As provided in the Master Lease Agreement, the Lessor will be entitled to rely on facsimile transmissions from the Lessee.

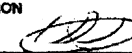
The Lessee covenants and agrees with the Lessor that the Lessee is not entering into, and will not otherwise direct, administer or operate, this Leasing Schedule for the benefit or on behalf of any Person other than the Lessee. "Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association and any other incorporated or unincorporated entity.

The parties hereto have each executed this Leasing Schedule on the respective dates set forth below and this schedule is deemed to have been executed on the later of such dates. All appendices, if any, attached to this schedule form part of the Leasing Schedule.

ROYAL BANK OF CANADA

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

per   
Eugene Basolini  
Head, Equipment Finance Solution Centre

per   
per \_\_\_\_\_

date \_\_\_\_\_

date SEP-16-2018



2021-09-08 10:00:00

**Payment Schedule**

This is the Payment Schedule attached to and forming part of Lease No. 579464900-201000038720 (the "Lease") between SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION as Lessee and Royal Bank of Canada as Lessor.

| Number of Rentals | From (Inclusive) | To (Inclusive) | Amount of each Rental Payment | GST/HST  | PST/QST | Total Rental Payment |
|-------------------|------------------|----------------|-------------------------------|----------|---------|----------------------|
| 1                 | 5-Sep-2018       | 4-Oct-2018     | \$0.00                        | \$0.00   | \$0.00  | \$0.00               |
| 1                 | 5-Oct-2018       | 4-Nov-2018     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Nov-2018       | 4-Dec-2018     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Dec-2018       | 4-Jan-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Jan-2019       | 4-Feb-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Feb-2019       | 4-Mar-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Mar-2019       | 4-Apr-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Apr-2019       | 4-May-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-May-2019       | 4-Jun-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Jun-2019       | 4-Jul-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Jul-2019       | 4-Aug-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Aug-2019       | 4-Sep-2019     | \$695.59                      | \$34.78  | \$0.00  | \$730.37             |
| 1                 | 5-Sep-2019       | 4-Oct-2019     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Oct-2019       | 4-Nov-2019     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Nov-2019       | 4-Dec-2019     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Dec-2019       | 4-Jan-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jan-2020       | 4-Feb-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Feb-2020       | 4-Mar-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Mar-2020       | 4-Apr-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Apr-2020       | 4-May-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-May-2020       | 4-Jun-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jun-2020       | 4-Jul-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jul-2020       | 4-Aug-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Aug-2020       | 4-Sep-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Sep-2020       | 4-Oct-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Oct-2020       | 4-Nov-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Nov-2020       | 4-Dec-2020     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Dec-2020       | 4-Jan-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jan-2021       | 4-Feb-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Feb-2021       | 4-Mar-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Mar-2021       | 4-Apr-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Apr-2021       | 4-May-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-May-2021       | 4-Jun-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jun-2021       | 4-Jul-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jul-2021       | 4-Aug-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Aug-2021       | 4-Sep-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Sep-2021       | 4-Oct-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Oct-2021       | 4-Nov-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Nov-2021       | 4-Dec-2021     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Dec-2021       | 4-Jan-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jan-2022       | 4-Feb-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Feb-2022       | 4-Mar-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Mar-2022       | 4-Apr-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Apr-2022       | 4-May-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-May-2022       | 4-Jun-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jun-2022       | 4-Jul-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jul-2022       | 4-Aug-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Aug-2022       | 4-Sep-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Sep-2022       | 4-Oct-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Oct-2022       | 4-Nov-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Nov-2022       | 4-Dec-2022     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Dec-2022       | 4-Jan-2023     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jan-2023       | 4-Feb-2023     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Feb-2023       | 4-Mar-2023     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |



4 2018-09-10

| Number of Rentals | From (Inclusive) | To (Inclusive) | Amount of each Rental Payment | GST/HST  | PST/QST | Total Rental Payment |
|-------------------|------------------|----------------|-------------------------------|----------|---------|----------------------|
| 1                 | 5-Feb-2028       | 4-Mar-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Mar-2028       | 4-Apr-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Apr-2028       | 4-May-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-May-2028       | 4-Jun-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jun-2028       | 4-Jul-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Jul-2028       | 4-Aug-2028     | \$2,121.76                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Aug-2028       | 4-Sep-2028     | \$2,121.75                    | \$106.09 | \$0.00  | \$2,227.85           |
| 1                 | 5-Sep-2028       | 4-Oct-2028     | \$1.00                        | \$0.05   | \$0.00  | \$1.05               |

Initiated by  
Royal Bank of Canada:



Eugene Basoin  
Head, Equipment Finance Solution Centre

Initiated by  
SEAMA SHALCHI-MOGHADDAM  
PROFESSIONAL CORPORATION



Seama Shalchi-M  
Sep-10-2018

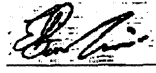
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**Equipment Schedule A**

This is the Equipment Schedule attached to and forming part of Lease No. 579464900-201000038720 (the "Lease") between SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION as Lessee and Royal Bank of Canada as Lessor.

| Vendor                          | Invoice Date | Invoice #               | Equipment Cost |
|---------------------------------|--------------|-------------------------|----------------|
| WD Construction & Millwork Ltd. | 03/09/2018   | 2722                    | \$15,693.07    |
| Sinclair Dental                 | 03/12/2018   | DEPOSIT Re: Quote #3754 | \$16,376.40    |
| Sinclair Dental                 | 04/03/2018   | 8820596                 | \$5,818.00     |
| WD Construction & Millwork Ltd. | 05/01/2018   | 2757                    | \$26,209.13    |
| WD Construction & Millwork Ltd. | 05/15/2018   | 2766                    | \$19,647.00    |
| WD Construction & Millwork Ltd. | 05/29/2018   | 2780                    | \$31,292.10    |
| WD Construction & Millwork Ltd. | 06/26/2018   | 2799                    | \$12,688.64    |
| Sinclair Dental                 | 07/19/2018   | 37549LX                 | \$49,311.60    |
| WD Construction & Millwork Ltd. | 07/31/2018   | 2800 (Final)            | \$11,725.56    |

Initialed by  
Royal Bank of Canada:



Eugene Basoin  
Head, Equipment Finance Solution Centre

Initialed by  
SEAMA SHALCHI-MOGHADDAM  
PROFESSIONAL CORPORATION



Seama Shalchi - M  
Sep - 10 - 2018



**Floating Rate Addendum**  
(Leasing Schedule - N)

**ADDENDUM TO LEASING SCHEDULE DATED September 5, 2018 BETWEEN ROYAL BANK OF CANADA AND SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION, BEING LESSEE NUMBER 579464900 AND LEASE NUMBER 201000038720 (THE LEASE )**

---

Adjustment Period: Monthly  
 Equipment Cost: \$188,781.50  
 Index Rate: 2.65% per annum  
 Settlement Period: Quarterly

1) Any terms defined in the Master Lease Agreement and Leasing Schedule hereinafter referred to as the "Lease", that are used in the Addendum have the same meaning.

2) In this Addendum:

- (a) Adjustment Period means equal consecutive periods of time each of the length shown above, starting on the first business day of month where the second Total Rental Payment becomes due.
- (b) Index Rate means the discounted rate of Royal Bank, calculated on the basis of a 365 day year, established in accordance with its normal practices, at or about 10:00 am on the first business day of the month where the second Total Rental Payment becomes due, for index instruments having a face value of about the same amount as the Equipment Cost and a term of 90 days.
- (c) Equipment Cost means the amount shown above.
- (d) Settlement Period means equal consecutive periods of months as noted above, commencing on the second Total Rental Payment due date.

3) Lessee acknowledges that the amount of the Total Rental Payment has been established on the basis of the Index Rate shown above.

4) If the Index Rate on the first day of any Adjustment Period, is different from the Index Rate shown above, the Total Rental Payment(s) due in each month of that Adjustment Period will be adjusted according to the following formula:

$$\text{Adjustment Amount} = \frac{D}{12} \times (\text{Equipment Cost} \times \text{Rental Adjustment Factor})$$

In this formula:

- (a) D is the difference between the Index Rate on the first day of the relevant Adjustment Period and the Index Rate shown above. If the Index Rate on the first day of an Adjustment Period is less than the Index Rate shown above, the adjustment shall be in favour of the Lessee; if it is more, the adjustment shall be in favour of the Royal Bank.
- (b) Rental Adjustment Factor is the factor shown in Appendix A to the Lease for the relevant Adjustment Period, or the first month in the Adjustment Period if the Adjustment Period is longer than a month.

10/10/2018

5) Royal Bank shall at each Settlement Period during the Term credit or debit, as the case may be, the Adjustment Amount to Lessees account at Royal Bank. The Adjustment Amount is an adjustment to the Total Rental Payment(s) due during the Adjustment Period. If the Adjustment Amount increases the Total Rental Payment(s), Royal Bank shall debit any additional applicable taxes to Lessees account; conversely, if the Adjustment Amount reduces the Total Rental Payment(s), Royal Bank shall credit the resulting reduction in applicable taxes to that account.

6) This Addendum forms a part of the Lease. In the event of a conflict between a provision of this Addendum, the provision of this Addendum shall prevail.

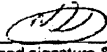
7) Lessee may upon payment of a conversion fee of \$ 500.00, if not in default under the Lease, and upon minimum notice of ten business days to Royal Bank, require Royal Bank to fix the amount of the Total Rental Payment for the remainder of the Term at an amount equal to the rental then being charged by Royal Bank for fixed rate leases for a similar class of equipment for the number of years remaining in the Term, rounded upwards to the nearest whole multiple of one.

8) Royal Bank will be entitled to rely on any signature appearing on a facsimile transmission that purports to be a signature of the Lessee or of a representative of the Lessee as being authorized, valid and binding on the Lessee, even if the signature was not, in fact, signed by the Lessee or its representative. The Lessee will keep the originals of all documents and instructions transmitted to Royal Bank by facsimile, including the application for this agreement if it was previously transmitted by facsimile to Royal Bank, and will produce them to Royal Bank upon request. Royal Bank and the Lessee agree that a copy of a document transmitted by fax shall be admissible as evidence of its contents and its execution by the parties in the same manner as an original document, and expressly waive any right to object to its introduction in evidence, including any right to object based on the best evidence rule.

Executed by:  
ROYAL BANK OF CANADA

  
Eugene Basolini  
Head, Equipment Finance Solution Centre

Executed by:  
SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

By:  Seama Shalchi-M / owner  
(authorized signature & title) Sep-10-2018

By: \_\_\_\_\_  
(authorized signature & title)









**To Leasing Schedule No. 579464900-201000038720 dated on the 5th day of September 2018 between Royal Bank of Canada ("Lessor") and SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION ("Lessee")**

PREPAYMENT APPENDIX:

Lessee is permitted to fully prepay lease contract after 12 months from the Commencement Date of Term.

Prepayment is subject to:

1. Lease is in full force and effect and no Event of Default has occurred which has not been cured prior to the prepayment date.
2. Lessee shall provide RBC with 30 days prior written notice of its intention to prepay or to pay off any time after the first year
3. Lease remains on a floating rate, if converted to a fixed rate standard charges apply.
4. Prepayment will be calculated based on RBC's Net Receivable plus A \$500.00 admin fee.

Initiated by  
**ROYAL BANK OF CANADA**

Eugene Basolini  
Head, Equipment Finance Solution Centre

Initiated by  
**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

Seama Shalchi  
Sep -10 - 2018

1-800-361-0000 4



# Rental Statement

**SEAMA SHALCHI-MOGHADDAM  
PROFESSIONAL CORPORATION**  
20 Discovery Ridge Rise Sw  
Calgary, Alberta  
T3H 4R2

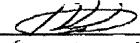
**PLEASE REMIT PAYMENT TO:**  
Royal Bank of Canada  
Leasing Division  
5575 North Service Rd, Suite 300  
Burlington, Ontario  
L7L 6M1

| Lease Number                          | Net Equipment Cost  | Rental Factor   |
|---------------------------------------|---------------------|-----------------|
| <b>579464900 - 201000038720</b>       | <b>\$188,761.50</b> | <b>N/A</b>      |
| RENTAL                                |                     | <b>\$0.00</b>   |
| GST/HST                               |                     | <b>\$0.00</b>   |
| PST/QST                               |                     | <b>\$0.00</b>   |
| <b>SUB TOTAL</b>                      |                     | <b>\$0.00</b>   |
| ADMINISTRATION FEE                    |                     | <b>\$500.00</b> |
| GST/HST                               |                     | <b>\$25.00</b>  |
| PST/QST                               |                     | <b>\$0.00</b>   |
| <b>SUB TOTAL</b>                      |                     | <b>\$525.00</b> |
| <b>TOTAL DUE ON September 5, 2018</b> |                     | <b>\$525.00</b> |

This is the only notice of payment that will be sent to you. For your subsequent payments which will be debited on the **5th** of each month starting **October 5, 2018** please refer to attached Payment Schedule. Rentals will be automatically debited from your account on a monthly basis unless alternative arrangements are made with the bank.

We thank you for this opportunity to provide you with our leasing service.

**SEAMA SHALCHI-MOGHADDAM  
PROFESSIONAL CORPORATION**

per   
Sep-10-2018  
per \_\_\_\_\_

GST/HST/PST/QST NO. 105248165 RT0001

Rev 08/2017  
© Registered trademark of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.



THIS IS EXHIBIT "5"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



Royal Bank of Canada  
General Security Agreement

SRF: 579464900  
Borrower: SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

335 8TH AVE SW  
5TH FLR  
CALGARY  
ALBERTA  
T2P 1C9  
CA

## 1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

Please do not write in this area



RBC579464900001012000924

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

## 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

## 4. COVENANTS OF THE DEBTOR

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So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

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- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if

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Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the

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representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any

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Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to

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RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.


(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).


**16. Debtor represents and warrants that the following information is accurate:**



**BUSINESS DEBTOR**

|   |                 |                     |                       |
|---|-----------------|---------------------|-----------------------|
| NAME OF BUSINESS DEBTOR<br>SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION |                 |                     |                       |
| ADDRESS OF BUSINESS DEBTOR<br>20 DISCOVERY RIDGE<br>RISE SW                 | CITY<br>CALGARY | PROVINCE<br>ALBERTA | POSTAL CODE<br>T3H4R2 |

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 7<sup>th</sup> day February, 2018

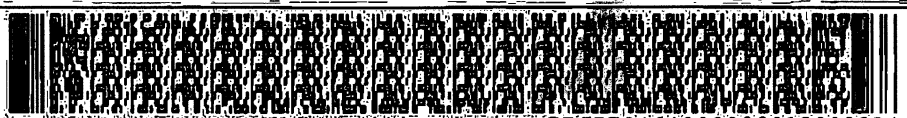
  
 \_\_\_\_\_  
 WITNESSES Houman Agahi  
 Barrister and Solicitor

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION  
  
 \_\_\_\_\_  
 Seama Shalchi-Moghaddam  
 President & Sole Director

WITNESSES

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**SCHEDULE "A"**

**(ENCUMBRANCES AFFECTING COLLATERAL)**

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## SCHEDULE "B"

### 1. Locations of Debtor's Business Operations

20 DISCOVERY RIDGE RISE SW  
CALGARY  
ALBERTA  
CA  
T3H4R2

### 2. Locations of Records relating to Collateral

20 DISCOVERY RIDGE RISE SW  
CALGARY  
ALBERTA  
CA  
T3H4R2

### 3. Locations of Collateral

20 DISCOVERY RIDGE RISE SW  
CALGARY  
ALBERTA  
CA  
T3H4R2

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**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

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THIS IS EXHIBIT "6"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



Collateral Mortgage - General  
Saskatchewan/Alberta/NWT/Nunavut

**COLLATERAL MORTGAGE**

I/WE, Seama Shalchi-Moghaddam Professional Corporation

(hereinafter referred to as the "Mortgagor") having an address at #304, 11420 - 27 Street SE Calgary  
*(Street Address) (City)*

Alberta, T2Z 3R6, being registered owner (or for the purposes of land located  
*(Province) (Postal Code)*

in Northwest Territories or Nunavut Territory, being or being entitled to become registered owner) of an estate in fee simple/leasehold estate (and for the purposes of land located in Alberta only, subject to registered encumbrances, liens and interests, if any) (and for the purposes of land located in Northwest Territories or Nunavut Territory only, subject to the encumbrances and interests listed below or which apply under the applicable Land Titles Act) in all that piece of land described as follows:

CONDOMINIUM PLAN 1411261  
UNIT 52  
AND 81 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(hereinafter referred to as "the land"), IN CONSIDERATION OF the premises herein and other valuable consideration, the receipt and sufficiency of which is acknowledged, hereby covenant with ROYAL BANK OF CANADA, a chartered bank having its Head Office in the City of Montreal, in the Province of Quebec (hereinafter referred to as the

"Mortgagee") and having an office at Collateral Security Team, Tor-Business Service Centre, 36 York Mills Rd 4th Flr  
Toronto ON M2P 0A4, as follows:  
*(City) (Province) (Postal Code)*

- (1) **Charging Clause:** The Mortgagor hereby encumbers, mortgages and charges the land and each and every building and improvement on the land (the "premises") which now or hereafter may be erected thereon (the land and the premises being hereinafter referred to as the "mortgaged property") with payment of:
  - (a) the Liabilities (as hereinafter defined), excluding any portion thereof constituting interest or constituting Enforcement Obligations (as hereinafter defined), up to the amount of Three hundred fifty five thousand DOLLARS (\$ 355,000.00 );
  - (b) the Enforcement Obligations (as hereinafter defined); and
  - (c) interest payable on the Liabilities calculated at the rate and in the manner specified herein or in the instrument or other agreement creating or evidencing the obligation to pay such interest.

"Enforcement Obligations" means all amounts payable hereunder which are stated to constitute Enforcement Obligations.

"Liabilities" means all amounts owing to the Mortgagee from time to time in respect of any current or running account or revolving line of credit and all indebtedness, liabilities and obligations of the Mortgagor to the Mortgagee (which includes for greater certainty all Enforcement Obligations) whether present or future, direct or indirect, absolute or contingent, matured or not, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the mortgaged property, and whether arising within or outside Canada, and whether incurred by or arising from any agreement or dealing between the Mortgagee and the Mortgagor or by or from any agreement or dealing with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor, or however otherwise incurred or arising, and whether the Mortgagor be bound alone or with another or others, and whether as principal, guarantor or surety.

"Prime Rate" means the annual rate of interest established and announced from time to time by the Mortgagee as being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans made in Canada.

- (2) **Liabilities:** These presents are given and taken as general and continuing collateral security to secure payment of the Liabilities and this mortgage shall obtain priority for all Liabilities notwithstanding that at any time or from time to time there may not be any Liabilities then outstanding. The Mortgagor agrees to pay to the Mortgagee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation. Any future or contingent Liability that does not constitute a debt or loan shall accrue and be payable upon the satisfaction of any applicable condition or contingency which is specified in the agreement or dealing creating such Liability or upon the satisfaction of any other condition or contingency which may be applicable to making a determination of whether such Liability is accrued and payable. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute prima facie evidence of the amount of Liabilities outstanding and owing from time to time by the Mortgagor to the Mortgagee. Unless otherwise specified herein or in an instrument or other agreement creating or evidencing an obligation to pay interest on the Liabilities, the Mortgagor shall pay to the Mortgagee interest on the amount of the Liabilities outstanding from time to time for the period commencing on the date of demand for payment thereof until paid, such interest to be calculated at a rate equal to the Prime Rate plus Five ( 5.000 %) per annum, calculated and payable monthly not in advance, both before and after default and judgment, with interest on overdue interest at the rate aforesaid.
- (3) **Enforcement Obligations:** All Enforcement Obligations shall be payable by the Mortgagor to the Mortgagee upon demand therefor by the Mortgagee to the Mortgagor together with interest thereon from the date such Enforcement Obligations become due and payable until paid, calculated at a rate equal to the Prime Rate plus two percent (2%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid.
- (4) **No Merger:** Neither the granting of this mortgage nor any proceeding taken hereunder or with respect hereto or under any securities or evidences of securities taken by the Mortgagee, nor any judgment obtained in such proceeding, shall operate as a merger of the Liabilities or of any simple contract debt or in any way suspend payment of, affect or prejudice the rights, remedies or powers, legal or equitable, which the Mortgagee may hold in connection with the Liabilities and any securities which may be taken by the Mortgagee in addition to, by way of renewal of, or in substitution for any present or future bill, promissory note, obligation or security evidencing the Liabilities or a part thereof, or be deemed a payment or satisfaction of the Liabilities or any part thereof or merger therein and any right reserved to the Mortgagee under any document may be exercised by the Mortgagee concurrently or consecutively with or to any other rights reserved to it.

- (5) **Further Covenants:** The Mortgagor further covenants with the Mortgagee that the Mortgagor:
- (a) has a good title to the land and premises;
  - (b) has the right to mortgage the land and premises and that on default the Mortgagee shall have quiet possession of the land and premises free from all encumbrances;
  - (c) will execute such further assurances of the land and premises as may be requisite; and
  - (d) has done no act to encumber the land and premises.
- (6) **Covenants:** The Mortgagor further covenants with the Mortgagee that:
- (a) **Insurance:** The Mortgagor will forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by the perils of fire and such other perils as the Mortgagee may require, the premises, both during erection and thereafter, for a total amount not less than the lesser of the replacement cost of the premises and the amount of the Mortgagee's interest therein, with an insurance company and under policies satisfactory to the Mortgagee; and each policy of insurance shall provide that every loss shall be payable to the Mortgagee as its interest may appear in accordance herewith, subject to a standard form of mortgage clause approved by the Mortgagee; and each policy of insurance shall provide that the Mortgagee shall receive at least thirty (30) days prior notice of any cancellation or material alteration thereof; and the Mortgagor will forthwith assign, transfer and deliver to the Mortgagee the policies of insurance and all renewal receipts pertaining thereto; and no insurance will be carried on the premises other than such as is made payable to the Mortgagee in accordance with the provisions of this paragraph; and the Mortgagor will not do or omit or cause anything to be done, omitted or caused whereby the policies of insurance may become void; and the Mortgagor will pay all premiums necessary for such purposes promptly as the same shall become due and will deliver evidence of renewal to the Mortgagee at least seven (7) days prior to the expiration of any policy of insurance; and, in the event of any breach of the foregoing covenants respecting insurance, the Mortgagee, without prejudice to its other rights hereunder, may, at its option, effect such insurance to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and forthwith on the happening of any loss or damage, the Mortgagor will furnish at its own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and the production of this mortgage shall be sufficient authority for the insurance company to pay every such loss to the Mortgagee, and the insurance company is hereby directed thereupon to pay the same to the Mortgagee; and any insurance monies received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the premises or be paid to the Mortgagor or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the Liabilities or any part thereof whether due or not then due; and the Mortgagor hereby releases to the Mortgagee all its claims upon the mortgaged property subject to the said provisos;
  - (b) **Taxes and Encumbrances:** The Mortgagor will pay when and as the same fall due all taxes, rates, levies, assessments, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged property or on this mortgage or on the Mortgagee in respect of this mortgage; and in default of payment, the Mortgagee may pay the amount of such taxes, rates, levies, assessments, liens, charges, encumbrances and claims, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;

- (c) **Assignment of Rents and Leases:** For the better securing to the Mortgagee the payment of the Liabilities, the Mortgagor hereby gives, grants, assigns, transfers and sets over unto the Mortgagee all leases, agreements, tenancies, quotas and licenses which affect the mortgaged property whether written, verbal or otherwise howsoever, including all renewals or extensions thereof, together with all rents and other monies payable thereunder and all rights, benefits and advantages to be derived therefrom; provided that nothing done in pursuance hereof shall have or be deemed to have the effect of making the Mortgagee responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the mortgaged property, or for the performance or observance of any provision of such leases and agreements;
- (d) **Fixtures:** Without restricting the generality of the term "fixtures", fences, plumbing, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all appliances and appurtenances relating thereto which now are or may hereafter be placed upon the mortgaged property by the Mortgagor or which now are or may hereafter be attached to the mortgaged property by the Mortgagor, and all farm machinery, improvements and irrigation systems, fixed or otherwise, and even though not attached to the land otherwise than by their own weight, shall be deemed to be fixtures and all fixtures shall form a part of the mortgaged property and are charged by and subject to this mortgage;
- (e) **Good Repair:** The Mortgagor will not remove any fixtures of any kind from the mortgaged property, and will keep the premises and all fixtures, gates, fences, drains and improvements for the time being subject to this mortgage in good and substantial repair, and will at all times make such repairs to, and if incomplete, will complete such buildings and improvements as may be required by the Mortgagee in writing; and will not without the consent in writing of the Mortgagee, commit or permit any kind of waste on the mortgaged property; and in default of any of the foregoing the Mortgagee may at its option enter upon the mortgaged property from time to time in order to inspect, and may at its option complete, repair and keep in repair the said premises, fixtures, gates, fences, drains and improvements without thereby becoming liable as mortgagee in possession and the amount expended by the Mortgagee in doing all or any of the foregoing things shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (f) **Erection of Improvements:** The Mortgagor will not, without the consent of the Mortgagee in writing, erect or permit to be erected on the mortgaged property any improvement, or enter into any contract that may cause the mortgaged property to be encumbered by a lien for work done, labor provided, services performed or material supplied and will keep the mortgaged property free from same; -
- (g) **Inspection:** The Mortgagee, its agents, employees, and independent contractors may at any time enter upon the mortgaged property to inspect the mortgaged property, and where deemed necessary and/or advisable by the Mortgagee, to conduct investigations thereon, including, without limiting the generality of the foregoing, intrusive testing and sampling on the mortgaged property for the purpose of determining the presence of or the potential for environmental pollution, and the reasonable cost of such inspection and investigations paid for by the Mortgagee including any intrusive testing and sampling shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (h) **No Other Encumbrances:** The Mortgagor will not, without the consent of the Mortgagee in writing, grant, create, assume or suffer to exist any mortgage, charge, lien or other encumbrance against the mortgaged property, whether ranking in priority to or subsequent to this mortgage, and the Mortgagee may pay the amount of any mortgage, charge, lien or other encumbrance, now or hereafter existing upon the mortgaged property having or claiming priority over this mortgage. All monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and

- (i) **Compliance with Laws:** The Mortgagor covenants with the Mortgagee to at all times promptly observe, perform, execute and comply with all applicable laws, including without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, building construction, builders' liens, or public health and safety, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor will from time to time, upon request of the Mortgagee, provide to the Mortgagee evidence of such observance and compliance and will at its own expense make any and all improvements thereon or alterations to the mortgaged property, structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, and the Mortgagor will cause its tenants, agents and invitees to comply with all the foregoing at their own expense.
- (7) **Environmental Provisions:** The Mortgagor represents and warrants to the Mortgagee that there is no product or substance on the mortgaged property or on any property adjacent thereto which contravenes any environmental law or which is not being dealt with according to best recognized environmental practices, and that the mortgaged property is being used in compliance with all environmental laws. The Mortgagor will give the Mortgagee immediate notice of any material change in circumstances which would cause any of the foregoing representations and warranties to become untrue. The Mortgagor will indemnify the Mortgagee and each of its directors, officers, employees, agents and independent contractors, from all loss or expense (including, without limitation, legal fees on a solicitor and his own client basis) due to the Mortgagor's failure to comply with any environmental law or due to the presence of any product or substance referred to in this paragraph, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of this mortgage or the release from this mortgage of part or all of the mortgaged property. All amounts payable to the Mortgagee in respect of such indemnity shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation.
- (8) **Remedies for Breach of Covenants:** In the event of non-payment when due of the Liabilities or a part thereof, or upon breach of or default under any provision of any agreement evidencing or relating to the Liabilities or a part thereof, or upon breach of or default in any provision of this mortgage:
- (a) **Liabilities Due:** The Liabilities shall immediately become due and payable at the option of the Mortgagee unless such non-payment, breach or default is waived or postponed by the Mortgagee;
- (b) **May Enter on to Mortgaged Property to Lease or Sell:** The Mortgagee may on giving the minimum notice, if any, according to applicable law, enter on and lease or sell the mortgaged property; and the Mortgagee may collect the rents and profits and lease or sell as aforesaid without entering into possession of the mortgaged property; and the Mortgagee is hereby irrevocably appointed the attorney of the Mortgagor for the purpose of making such lease or sale, and for recovering all rents and sums of money that may become or are due or owing to the Mortgagor in respect of the mortgaged property, and for enforcing all agreements binding on any lessee or occupier of the mortgaged property or on any other person in respect of it, and for taking and maintaining possession of the mortgaged property, and for protecting it from waste, damage or trespass, and for making arrangements for completing the construction of, repairing or putting into order any buildings or other improvements on the mortgaged property, and for harvesting, threshing and marketing any crops on the land, keeping down and destroying any noxious weeds, summer fallowing, and working, breaking and otherwise farming any farm land, and for conducting remediation to bring the mortgaged property in compliance with recognized environmental standards, statutory or otherwise, and for executing all instruments, deeds and documents pertaining thereto, and for doing all acts, matters and things that may be necessary for carrying out the powers hereby given; and any such sale may be either for cash or on credit, or part cash and part credit, and by private sale or public auction, and at such sale the whole or any part of the mortgaged property may be sold; and the Mortgagee may vary or rescind any contract of sale made by virtue of these presents, and may buy in and resell the mortgaged property or any part thereof, without being responsible for any loss or deficiency on resale or expense occasioned thereby, and may sell on such terms as to credit or otherwise as to it shall seem appropriate, and for such prices as can reasonably be obtained therefor, and may make any stipulation as to title or evidence or commencement of title or otherwise as to it may seem proper, and no purchaser or lessee under such power shall be bound to inquire into the legality or regularity of any sale or lease under the said power, or to see to the application of the proceeds thereof, nor shall any omission, irregularity or want of notice invalidate or in any way affect the legality of any such sale or lease; and out of the money arising from such sale

or lease the Mortgagee shall be entitled to retain an amount equal to the Liabilities together with all expenses incurred in or about taking, recovering or keeping possession of the mortgaged property, selling or leasing the same or otherwise by reason of any default of the Mortgagor hereunder, including solicitor's fees and disbursements as between a solicitor and his own client, and any balance of monies remaining after the satisfaction of all claims of the Mortgagee, as hereinbefore provided, shall be paid to the Mortgagor but the Mortgagee shall in no event be liable to pay to the Mortgagor any monies except those actually received by the Mortgagee;

- (c) **Foreclosure:** The Mortgagee may take foreclosure or foreclosure and sale proceedings in respect of the mortgaged property in accordance with the provisions of the laws of the jurisdiction in which the mortgaged property is situate; and in the event of any deficiency on account of the Liabilities remaining due to the Mortgagee after realizing all the mortgaged property, then the Mortgagor will pay to the Mortgagee on demand the amount of such deficiency together with interest thereon until paid, calculated at a rate equal to the Prime Rate plus Five ( 5.000%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. In the event foreclosure proceedings are commenced in respect of the mortgaged property, then from the time of the application for an order nisi in such proceedings, the rate of interest payable under this mortgage shall, at the option of the Mortgagee, be fixed at the rate applicable under this mortgage at that time and shall thereafter remain at such fixed rate unless and until such proceedings have been settled or discontinued;
- (d) **Distrain:** The Mortgagee may distrain for arrears of the Liabilities, and as part of the consideration for any advance or creation of the Liabilities, the Mortgagor agrees to waive, and hereby waives, on the exercise of any such right of distress all rights to exemptions from seizure and distress under any law applicable in the jurisdiction in which the mortgaged property is situate;
- (e) **Receivership:** The Mortgagee may appoint a receiver of the mortgaged property and of the income of the mortgaged property, or any part thereof, and every such receiver shall be the agent of the Mortgagor and the Mortgagee shall be solely responsible for the receiver's acts or defaults; and such receiver shall have power to demand, recover and receive all the income of the mortgaged property, by action, distress or otherwise, either in the name of the Mortgagor or of the Mortgagee, and to give effectual receipts for the same; and the receiver may lease the mortgaged property and execute contracts in the name of the Mortgagor; provided that such receiver may be removed and a new receiver appointed from time to time by the Mortgagee, by writing under the hand of any authorized agent or solicitor; and it is further agreed that such receiver shall be entitled to retain out of the monies received by it a commission of five percent (5%) of the gross receipts, or such higher rate as any judge of any court having jurisdiction may allow upon application by it for that purpose, and also its disbursements in the collection of such income, and thereafter shall apply all monies received by it as such receiver as follows: namely, in discharge of all taxes, rates and accounts payable whatsoever affecting the mortgaged property and all liens, charges (including, without limitation, those imposed under environmental laws), annual sums or other payments and interest thereon, if any, having priority to this mortgage; in payment of the premiums on insurance payable under this mortgage; in payment of the cost of all necessary or proper repairs to the mortgaged property; and the balance, if any, thereafter upon the Liabilities; provided further that neither the existence of the foregoing relating to attornment, to distraint for arrears, to entry upon the mortgaged property, to foreclosure and to the said receivership, nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession so as to be accountable for any monies except those actually received; and
- (f) **Performance of Obligations:** The Mortgagee, at its option, may by and on behalf of the Mortgagor and at the sole cost and expense of the Mortgagor, and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed, any provision with respect to which default has occurred hereunder or under any provision of any agreement or dealing evidencing the Liabilities and for such purpose make such payments as are contemplated herein, and all monies expended by the Mortgagee for any such purpose shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation; provided however that nothing herein contained shall be deemed to hold the Mortgagee responsible for and the Mortgagee shall not be responsible for any loss arising out of its or its agents' or employees' observance or performance of any such provision. No remedy herein conferred is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under any security collateral hereto or now or hereafter existing at law or in equity.

- (9) **Bankruptcy:** If the Mortgagor shall commit an act of bankruptcy within the meaning of the Bankruptcy and Insolvency Act, become bankrupt or insolvent or shall be subject to the provisions of the Bankruptcy and Insolvency Act, the Companies Creditors Arrangement Act, the Winding Up Act or any other Act for the benefit of creditors or relating to bankrupt or insolvent debtors or go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency, the same shall constitute a breach of covenant pursuant to this mortgage.
- (10) **Costs to Protect Security:** All fees, charges, costs (including solicitor's fees and disbursements as between a solicitor and his own client) or expenses levied or charged by any solicitors or inspectors retained by or on behalf of the Mortgagee for the preparation, taking, registration, maintenance, protection or enforcement of this mortgage and any other securities which may be taken by the Mortgagee in connection with the Liabilities or any part thereof, together with the costs of any sale or abortive sale and of taking, recovering and keeping possession of the mortgaged property, the costs of inspecting or managing the same and generally any costs in any other proceeding, matter or thing taken or done in connection with or for completing the construction of, repairing or putting in order any buildings or other improvements on the mortgaged property, or for remediation to bring the mortgaged property into compliance with recognized environmental standards, statutory or otherwise, or to protect or realize upon this mortgage or any other security taken in connection with the Liabilities, or to perfect the title of the mortgaged property, or relating to expropriation of part or all of the mortgaged property, shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation. If the Mortgagor shall default in payment of any Enforcement Obligation on demand, the Liabilities shall at the option of the Mortgagee forthwith become due and payable unless such default is waived or postponed by the Mortgagee.
- (11) **Extension or Replacement of Covenants:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, in respect of the Liabilities or any part thereof give an extension of time, take the covenant of any purchaser of the equity of redemption of the mortgaged property or any part thereof, or any security whatsoever from them or from any other person, for the assumption and payment of the whole or any part of the Liabilities or for the due performance of any of the provisions hereof and any such action on the part of the Mortgagee shall not release the Mortgagor or any guarantor or surety from payment of the Liabilities or any part thereof or the performance of the said provisions or any of them; and the Mortgagee may also, in its discretion, compound with or release the Mortgagor or any one claiming under it, or any other person liable for payment of the Liabilities, or surrender, release or abandon or omit to perfect or enforce any securities, remedies or proceedings which the Mortgagee may now or hereafter hold, take or acquire, and may pay all monies received from the Mortgagor or others, or from securities upon such part of the Liabilities as the Mortgagee may think best without prejudice to or in any way limiting or lessening the liability of the mortgaged property or of any surety or obligor or any other person liable for payment of the Liabilities; and the Mortgagee shall incur no liability to any person by reason of anything aforesaid; any provision or liability aforesaid shall continue in full force as long as any of the Liabilities remain unpaid, but the Mortgagee shall not be bound to exhaust its recourse or remedies against the mortgaged property or the Mortgagor or other parties or the securities it may hold before being entitled to payment from any guarantor or surety of the Liabilities.
- (12) **Release of Lands:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, release any part of the mortgaged property or any other security for the Liabilities either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by it and without thereby releasing any other part of the mortgaged property, or any provision hereof, including any covenants or agreements on the part of any guarantor or surety for the payment of the Liabilities and the performance of the provisions hereof.
- (13) **No Waiver:** The permitting of or the acquiescence in the non-performance or non-observance of or the extension of time for the performance of any of the provisions of this mortgage shall not be or constitute any waiver of or cure any continuing or subsequent default, and shall not justify any default or delay on any other occasion and no waiver shall be inferred from or implied by anything done or omitted by the Mortgagee, except by express agreement.



- (14) **No Apportionment:** Every part, lot or unit into which the mortgaged property is or may hereafter be divided stands charged with the whole of the Liabilities and no person shall have any right to require the Liabilities to be apportioned on or in respect of any such part, lot or unit, or to require the charge of this mortgage to be released or discharged in respect of any such part, lot or unit, and the Mortgagor hereby waives any provision of any legislation which provides for such right.
- (15) **All Taxes Paid:** The Mortgagor represents and warrants that it has paid all taxes, interest and penalties payable by it under the provisions of federal, provincial and municipal statutes or by-laws relating thereto, and which may create a charge or lien upon the mortgaged property.
- (16) **Expropriation:** In the event that the whole or any material portion of the mortgaged property is expropriated by any entity empowered to do so, then at the option of the Mortgagee all Liabilities shall forthwith become due and payable. The Mortgagor hereby waives the provisions of any law applicable in the jurisdiction in which the mortgaged property is situate which would restrict recovery under this mortgage to recovering the market value of this mortgage at the date of any expropriation if the market value is then less than the amount of the Liabilities. In the event such market value is less than the amount of the Liabilities and the Mortgagee receives from the expropriating authority the market value of this mortgage, the Mortgagor shall, notwithstanding the provisions of any such law, forthwith upon demand pay to the Mortgagee the remaining portion as a separate debt together with interest thereon until paid at a rate equal to the Prime Rate plus Five ( 5.000 %) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. The proceeds from any expropriation affecting the whole or any part of the mortgaged property shall be paid to the Mortgagee in priority to the claims of any other person.
- (17) **Discharge:** The Mortgagor shall not be entitled to a discharge of this mortgage unless and until the Liabilities have been paid in full or are no longer in existence, the Mortgagee has no further obligations to the Mortgagor in respect of any Liabilities and the Mortgagor has kept and performed all of the provisions hereunder and under any provision of any agreement evidencing the Liabilities; and the Mortgagee shall have a reasonable time after payment or termination of the Liabilities within which to prepare or have prepared an executed discharge of this mortgage, and interest shall continue to run and accrue until all Liabilities have been paid and actual payment in full has been received by the Mortgagee and all legal and other expenses for the preparation and execution of such discharge and any administration fee of the mortgagee in connection therewith shall be borne by the Mortgagor.
- (18) **Condominium Units:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property constitutes a condominium or a unit in a condominium:
- (a) The Mortgagor covenants with the Mortgagee that the Mortgagor will observe and perform each and every provision required to be observed and performed under or pursuant to the terms of this mortgage, each and every provision of any law applicable in the jurisdiction in which the mortgaged property is situate which affects such condominium or unit in a condominium and the by-laws and any amendments thereto of the condominium corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium being charged by this mortgage (hereafter referred to as the "Condominium Corporation");
  - (b) Without limiting the generality of the foregoing subparagraph, the Mortgagor covenants to pay promptly when due any and all unpaid assessments, instalments or payments due to the Condominium Corporation;
  - (c) In addition to the Mortgagor's obligations hereunder to insure the mortgaged property, the Mortgagor covenants and agrees to provide the Mortgagee, from time to time upon the Mortgagee's request, with evidence satisfactory to the Mortgagee that the Condominium Corporation keeps the condominium insured in favour of the Mortgagee against all risks of direct physical loss or damage on a replacement cost basis for an amount equal to the full replacement value of the condominium; provided that, if the Condominium Corporation neglects to keep the condominium insured as aforesaid, the Mortgagee shall be entitled but shall not be obligated to insure the condominium to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable on demand and shall constitute an Enforcement Obligation;

- (d) As a member of the Condominium Corporation, the Mortgagor covenants and agrees to seek the full compliance by the Condominium Corporation with the requirement that the Condominium Corporation insure the condominium; and the Mortgagor hereby releases to the Mortgagee all of the Mortgagor's claim upon the Condominium Corporation, subject to the terms of the said insurance policy;
  - (e) The Mortgagee authorizes the Mortgagor to vote respecting all matters relating to the affairs of the Condominium Corporation, provided that the Mortgagee may at any time upon written notice to the Mortgagor and the Condominium Corporation, revoke this authorization, in which case all power to vote shall rest in the Mortgagee, although the Mortgagee shall be under no obligation to vote to protect the interests of the Mortgagor or to vote in any particular manner;
  - (f) The Mortgagor further covenants that, where the Mortgagor defaults in the Mortgagor's obligations to pay any assessment, instalment or payment due to the Condominium Corporation, or upon breach of any provision contained in this paragraph, regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor, may deem such default to be default under the terms of this mortgage and proceed to exercise its rights herein;
  - (g) Upon default herein and notwithstanding any other right or action of the Condominium Corporation or the Mortgagee, the Mortgagee may distrain for arrears of any assessment, instalment or payment due to the Condominium Corporation or arising under this paragraph; and
  - (h) The Mortgagor covenants to request the Condominium Corporation to send to the Mortgagee copies of all notices sent to the Mortgagor, and the Mortgagor covenants to notify the Mortgagee of any breaches by the Condominium Corporation that come to the attention of the Mortgagor.
- (19) **Farm Lands:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property is or includes farm lands:
- (a) In addition to the Mortgagor's obligations herein to insure the mortgaged property, the Mortgagor covenants and agrees to forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by hail and such other perils as the Mortgagee may require, all crops now or hereafter to be grown on the land;
  - (b) The Mortgagor will in each year during the currency of this mortgage either put into crop or summer fallow in good, proper and husbandlike manner every portion of the land which has been or may hereafter be brought under cultivation, and will keep the land clean and free from all noxious weeds and generally see that the mortgaged property does not depreciate in any way; and
  - (c) The Mortgagor will pay when and as the same fall due any charges for keeping down and destroying noxious weeds on the land and in default of payment the Mortgagee may pay the same, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation.
- (20) **Due on Sale or on Change in Ownership:** In the event that the Mortgagor shall sell, convey, transfer or otherwise dispose of the mortgaged property, or enter into any agreement to sell, convey, transfer or otherwise dispose of or lose title thereto, the Liabilities shall forthwith become due and payable at the option of the Mortgagee. In the event that the Mortgagor is a corporation, and in the event that there is a sale or sales which result in a transfer of the legal or beneficial interest of a majority of the shares in the capital of the Mortgagor or there is a change in the effective control of a majority of the voting shares in the capital of the Mortgagor, then the Liabilities shall forthwith become due and payable at the option of the Mortgagee.
- (21) **Cross Default:** In the event that the Mortgagor makes default under any mortgage, charge, lien or other encumbrance against the mortgaged property ranking or claiming priority over this mortgage, the same shall constitute default under this mortgage and the Liabilities shall at the option of the Mortgagee forthwith become due and payable, and the Mortgagee shall be at liberty to exercise its rights under this mortgage.

- (22) **No Obligation to Advance:** Neither the execution nor registration of this mortgage nor the advancing or creation of any part of the Liabilities shall bind the Mortgagee to advance or create any further Liabilities; and notwithstanding anything herein contained, all payments to be made on or by virtue of this mortgage shall be made in lawful money of Canada to the Mortgagee at its Head Office or at such other place as the Mortgagee may, from time to time, in writing designate.
- (23) **Proving of Prime Rate:** In the event that it may be necessary at any time for the Mortgagee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Manager for the time being of the branch of the Mortgagee responsible for the collection of the Liabilities setting forth the Prime Rate as at any time or times shall be and shall be deemed to be conclusive evidence as to the Prime Rate.
- (24) **Lawful Interest Rate:** In the event interest chargeable or payable on principal or interest or on arrears of principal or interest as provided for in this mortgage is in excess of that permitted by the Interest Act (Canada) or any other applicable law, then in such event, interest payable and chargeable on such principal or interest or on arrears of principal or interest under this mortgage shall be chargeable and payable at the highest lawful rate permitted by the Interest Act (Canada) or such other applicable law and no other interest on principal or interest or on arrears of principal or interest shall be chargeable or payable hereunder.
- (25) **Type of Land Ownership:**
- (a) **Freehold:** If this mortgage is a mortgage of a fee simple interest, the Mortgagor represents and warrants to the Mortgagee that it has a fee simple interest in possession in the mortgaged property and that it has full power to mortgage the mortgaged property.
- (b) **Leasehold:** If the interest of the Mortgagor in the mortgaged property derives from a lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license of the mortgaged property (such lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license including any renewal, extension, modification, replacement or assignment thereof is hereinafter collectively called the "Lease"), then the following additional provisions apply with respect to such interest:
- (i) all references in this mortgage to "mortgaged property" shall include all right, title and interest of the Mortgagor from time to time in and to the Lease and the lands and premises demised under the Lease, including any greater right, title or interest therein or in any part thereof acquired after the date of this mortgage;
- (ii) the Mortgagor grants, mortgages, demises, sub-leases and charges to the Mortgagee all estate, term, right, title and interest of the Mortgagor in and to the Lease and the mortgaged property, together with any and all other, further or additional title, estate, interest or right therein or any part thereof which may at any time be acquired by the Mortgagor in or to the lands and premises demised by the Lease during the term of the mortgage, and all benefit and advantage therefrom for the Mortgagee including any right or option to purchase or to lease contained therein, to have and to hold for and during the remainder of the term of the Lease, save and except the last day thereof, as security for the payment to the Mortgagee of the Liabilities, plus the interest on the Liabilities, Enforcement Obligations and all other amounts secured by this mortgage and for the performance of all liabilities and obligations secured by this mortgage upon the terms set out in this mortgage;
- (26) **Representations and Warranties regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold title, the Mortgagor represents and warrants to the Mortgagee that:
- (a) the leasehold estate which is the subject of this mortgage arises under the Lease, which has not been further modified or amended;
- (b) the Lease is a valid, effective and subsisting lease which has not been surrendered or forfeited, and the Lease is not presently subject to any assignment, mortgage or other encumbrance;
- (c) the Mortgagor has taken possession of the mortgaged property and all sums due under the Lease have been paid in full to the date hereof;

(d) the Mortgagor has full power to mortgage the Lease (subject to the consent, if necessary, of the lessor), and if the consent of the lessor is required, such consent has either been obtained or will be obtained prior to any advance of monies secured by this mortgage; and

(e) "Lease" means the lease from \_\_\_\_\_ to \_\_\_\_\_ dated \_\_\_\_\_ commencing on \_\_\_\_\_ and expiring on \_\_\_\_\_, subject only to the following amending agreements, if any:

(27) **Covenants regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold estate, the Mortgagor covenants with the Mortgagee that:

- (a) it will not modify or amend or consent to any modification or amendment to the Lease without the prior written consent of the Mortgagee;
- (b) it will not surrender or forfeit or consent to any surrender or forfeiture of the Lease, and it will not without the prior written consent of the Mortgagee further assign, mortgage or otherwise encumber the Lease;
- (c) it will not postpone or subordinate its interest in Lease to any other mortgage or encumbrance without the prior written consent of the Mortgagee;
- (d) it will faithfully comply with each provision of the Lease and will do all things necessary to preserve the Lease and the lessee's rights thereunder;
- (e) it will promptly notify the Mortgagee of any default under the Lease by the Mortgagor, or the giving or receipt of any notice of default in respect thereof, and it agrees to request that the lessor provide the Mortgagee with the opportunity (but not the obligation) to cure any default under the Lease and any amount which may be required to be paid by the Mortgagee to cure such default and the costs thereof (including any legal costs as between solicitor and client) shall constitute an Enforcement Obligation;
- (f) the Mortgagor will notify the Mortgagee of each and every notice of default, demand or claim forwarded to or served upon the Mortgagor by the lessor under the Lease;
- (g) it will notify the Mortgagee promptly in writing after learning of any condition that with or without the passage of time or the giving of any notice might result in a default under or the termination of the Lease;
- (h) if the Mortgagor becomes the owner of the freehold title to the mortgaged property, then

if the mortgaged property is located in Alberta or Saskatchewan, it hereby mortgages to the Mortgagee all of its estate and interest in the mortgaged property, freehold and otherwise, such mortgage to take effect on the Mortgagor acquiring the freehold title thereof, and this mortgage will thereupon be deemed to be a mortgage of the freehold title as if the Mortgagor had been the owner in fee simple at the date of execution of this mortgage and the Mortgagor agrees, if so requested by the Mortgagee, to execute in favour of the Mortgagee a mortgage covering the freehold estate on the same terms and conditions as are contained in this mortgage; and

if the mortgaged property is located in the Northwest Territories or Nunavut Territory, it agrees to provide to the Mortgagee, on request, a mortgage of all of its estate and interest in the mortgaged property, freehold and otherwise;

- (i) it will indemnify the Mortgagee against any claims and demands in respect of the Lease, including any legal costs incurred by the Mortgagee in connection therewith, on a solicitor and client basis;
- (j) the Mortgagor will at all times promptly observe and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal, or otherwise, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor

will from time to time, upon request of the Mortgagee, provide to the mortgagee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the mortgaged property structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

- (k) if this mortgage is outstanding at the end of the term of the Lease, it will at the appropriate time seek a renewal of the Lease or the issuance of a new lease in substitution and will promptly notify the Mortgagee if it becomes aware that such a renewed or substituted lease may not be forthcoming. The Mortgagor will provide a copy of any such renewed or substituted lease to the Mortgagee upon issuance and such a renewed or substituted lease will be included within the definition of the Lease hereunder and for greater certainty, will be subject to this mortgage.
  - (l) The Mortgagor agrees that it will from the date of execution of this mortgage stand possessed of the last day of the term of the Lease (whether it is the last date of the present term or of any extended term) and all rights, privileges and options of the Mortgagor under the Lease, in trust for the Mortgagee. The Mortgagor further agrees it will assign and dispose of said last day, consistent with the terms of the Lease, as the Mortgagee may direct, but subject to the Mortgagor's right of redemption. The Mortgagor irrevocably appoints the Mortgagee as its attorney for on on behalf of the Mortgagor and in its name or otherwise to assign the said last day and privileges as the Mortgagee shall at any time direct, consistent with the terms of the Lease. The Mortgagor further agrees that upon a sale or other disposition made by the Mortgagee, and if requested by the Mortgagee, to assign the last day and privileges and options relating thereto to the purchaser or assignee and to exercise any and all assignments and transfers for that purpose; and the Mortgagee may at any time, by deed or other instrument, remove the Mortgagor or any other person as trustee for the last day and appoint a new trustee or trustees in its place.
  - (m) **Information:** The Mortgagor authorizes the Mortgagee to contact the lessor from time to time to obtain information regarding the rent or other sums payable under the Lease, the status of payment thereof and any other information relating to the Lease or default thereunder.
  - (n) **Breach:** The Mortgagor agrees that it will be deemed to constitute a breach of the provisions of this mortgage if the leasehold estate which is the subject of this mortgage ceases to exist.
- (28) **Special Provisions:** The Mortgagor covenants with the Mortgagee that in the event the mortgaged property is situate in the Province of Saskatchewan and the Mortgagor is a body corporate, the Mortgagor agrees that:
- (a) The Land Contracts (Actions) Act of the Province of Saskatchewan shall have no application to an action, as defined in the said Act, with respect to this mortgage; and
  - (b) The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof shall have no application to this mortgage or any agreement or instrument renewing or extending or collateral to this mortgage, or the rights, powers or remedies of any other person under this mortgage, or any such agreement or instrument renewing or extending or collateral to this mortgage.
- (29) **Severability:** If any provision of this mortgage or the application thereof to any person is to any extent held invalid or unenforceable, the remainder of this mortgage or the application of such provision to persons other than those with respect to which it is held invalid or unenforceable shall not be affected thereby and shall continue to be enforceable to the fullest extent permitted by law.
- (30) **Joint and Several:** In the event there is more than one Mortgagor hereunder, the terms, conditions and other obligations of each Mortgagor hereunder shall be joint and several.
- (31) **Interpretation:** The words used herein which import the singular number and neuter shall be read and construed as plural and feminine or masculine, as the case may be, and the terms of this mortgage shall be binding upon and apply to the party's heirs, executors, administrators, successors or assigns, as applicable.





**AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY**  
*(To be completed where the mortgage is signed by a corporation without seal)*

I, Seama Shalchi-Moghaddam, of the City of Calgary, in the Province/Territory of Alberta,

**MAKE OATH AND SAY THAT:**

1. I am an officer or a director of Seama Shalchi-Moghaddam Professional Corporation named in the within instrument.
2. I am authorized by the corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of Calgary, )  
in the Province/Territory of Alberta, )  
this 7<sup>th</sup> day of February, 2018, )  
\_\_\_\_\_ )  
\_\_\_\_\_ )

  
\_\_\_\_\_  
Seama Shalchi-Moghaddam

(A Commissioner for Oaths in and  
for the Province/Territory of Alberta )  
My Commission expires \_\_\_\_\_,

Houman Agahi  
Barrister, Solicitor and a Commissioner for Oaths  
in and for the Province of Alberta



**ALBERTA DOWER ACT REQUIREMENTS**

*(To be utilized where the mortgaged property is located in Alberta and the mortgaged property is owned by only one individual. If any of the affidavit options are applicable, the Alberta Consent of Spouse and Certificate of Acknowledgement by Spouse do not need to be completed. If none of the affidavit options are applicable, the Alberta Consent of Spouse and Alberta Certificate of Acknowledgement by Spouse must be completed.)*

**ALBERTA DOWER ACT AFFIDAVIT**

I, \_\_\_\_\_, of \_\_\_\_\_,  
(Occupation)

**MAKE OATH AND SAY THAT:**

1. I am the mortgagor (or the agent acting under power of attorney in my favour registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ as instrument number \_\_\_\_\_ granted by the mortgagor) named in the within instrument.

\*Delete and initial whichever options do not apply

\* I am (or My principal is) not married.

or

\* Neither myself nor my spouse (or my principal nor his/her spouse) have resided on the within mentioned land at any time since our (or their) marriage.

or

\* I am (or My principal is) married to \_\_\_\_\_ being the person who executed the release of dower rights registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ as instrument number \_\_\_\_\_.

or

\*A judgment for damages was obtained against me by my spouse (or my principal by his/her spouse) and registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ as instrument number \_\_\_\_\_.

SWORN BEFORE ME at \_\_\_\_\_, )  
in the Province of \_\_\_\_\_, )  
this \_\_\_\_\_ day of \_\_\_\_\_, )  
\_\_\_\_\_ )

\_\_\_\_\_  
Signature of Mortgagor

(A Commissioner for Oaths in and for the Province of Alberta)  
My Commission expires \_\_\_\_\_, \_\_\_\_\_

**ALBERTA CONSENT OF SPOUSE**

I, \_\_\_\_\_, being married to the above named \_\_\_\_\_, do hereby give my consent to the disposition of our homestead made in this instrument, and I have executed this document for the purpose of giving up my life estate and other dower rights in the said property given to me by THE DOWER ACT, to the extent necessary to give effect to the said disposition.

\_\_\_\_\_  
(Signature of Spouse)

~~ALBERTA CERTIFICATE OF ACKNOWLEDGEMENT BY SPOUSE~~

1. This document was acknowledged before me by \_\_\_\_\_  
apart from her husband (or his wife)
2. \_\_\_\_\_ acknowledged to me that she (or he),
  - (a) is aware of the nature of the disposition;
  - (b) is aware that THE DOWER ACT gives her (or him) a life estate in the homestead and the right to prevent disposition of the homestead by withholding consent;
  - (c) consents to the disposition for the purpose of giving up the life estate and other dower rights in the homestead given to her (or him) by THE DOWER ACT, to the extent necessary to give effect to the said disposition; and
  - (d) is executing this document freely and voluntarily without any compulsion on the part of her husband (or his wife).

DATED at \_\_\_\_\_, in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_,

~~\*The Commissioner  
shall not be an employee  
of Royal Bank~~

\_\_\_\_\_  
\*A Commissioner for Oaths in and for the Province of Alberta  
My Commission expires \_\_\_\_\_

THIS IS EXHIBIT "7"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



Collateral Mortgage - General  
Saskatchewan/Alberta/NWT/Nunavut

**COLLATERAL MORTGAGE**

I/WE, Seama Shalchi-Moghaddam Professional Corporation

(hereinafter referred to as the "Mortgagor") having an address at #306, 11420 - 27 Street SE Calgary  
*(Street Address) (City)*

Alberta T2Z 3R6, being registered owner (or for the purposes of land located  
*(Province) (Postal Code)*

in Northwest Territories or Nunavut Territory, being or being entitled to become registered owner) of an estate in fee simple/leasehold estate (and for the purposes of land located in Alberta only, subject to registered encumbrances, liens and interests, if any) (and for the purposes of land located in Northwest Territories or Nunavut Territory only, subject to the encumbrances and interests listed below or which apply under the applicable Land Titles Act) in all that piece of land described as follows:

CONDOMINIUM PLAN 1611439  
UNIT 88  
AND 68 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(hereinafter referred to as "the land"), IN CONSIDERATION OF the premises herein and other valuable consideration, the receipt and sufficiency of which is acknowledged, hereby covenant with ROYAL BANK OF CANADA, a chartered bank having its Head Office in the City of Montreal, in the Province of Quebec (hereinafter referred to as the

"Mortgagee") and having an office at Collateral Security Team, Tor-Business Service Centre, 36 York Mills Rd 4th Flr  
Toronto ON M2P 0A4, as follows:  
*(City) (Province) (Postal Code)*

- (1) **Charging Clause:** The Mortgagor hereby encumbers, mortgages and charges the land and each and every building and improvement on the land (the "premises") which now or hereafter may be erected thereon (the land and the premises being hereinafter referred to as the "mortgaged property") with payment of:
  - (a) the Liabilities (as hereinafter defined), excluding any portion thereof constituting interest or constituting Enforcement Obligations (as hereinafter defined), up to the amount of Three hundred twenty thousand DOLLARS (\$ 320,000.00)
  - (b) the Enforcement Obligations (as hereinafter defined); and
  - (c) interest payable on the Liabilities calculated at the rate and in the manner specified herein or in the instrument or other agreement creating or evidencing the obligation to pay such interest.

"Enforcement Obligations" means all amounts payable hereunder which are stated to constitute Enforcement Obligations.

"Liabilities" means all amounts owing to the Mortgagee from time to time in respect of any current or running account or revolving line of credit and all indebtedness, liabilities and obligations of the Mortgagor to the Mortgagee (which includes for greater certainty all Enforcement Obligations) whether present or future, direct or indirect, absolute or contingent, matured or not, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the mortgaged property, and whether arising within or outside Canada, and whether incurred by or arising from any agreement or dealing between the Mortgagee and the Mortgagor or by or from any agreement or dealing with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor, or however otherwise incurred or arising, and whether the Mortgagor be bound alone or with another or others, and whether as principal, guarantor or surety.

"Prime Rate" means the annual rate of interest established and announced from time to time by the Mortgagee as being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans made in Canada.

- (2) **Liabilities:** These presents are given and taken as general and continuing collateral security to secure payment of the Liabilities and this mortgage shall obtain priority for all Liabilities notwithstanding that at any time or from time to time there may not be any Liabilities then outstanding. The Mortgagor agrees to pay to the Mortgagee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation. Any future or contingent Liability that does not constitute a debt or loan shall accrue and be payable upon the satisfaction of any applicable condition or contingency which is specified in the agreement or dealing creating such Liability or upon the satisfaction of any other condition or contingency which may be applicable to making a determination of whether such Liability is accrued and payable. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute prima facie evidence of the amount of Liabilities outstanding and owing from time to time by the Mortgagor to the Mortgagee. Unless otherwise specified herein or in an instrument or other agreement creating or evidencing an obligation to pay interest on the Liabilities, the Mortgagor shall pay to the Mortgagee interest on the amount of the Liabilities outstanding from time to time for the period commencing on the date of demand for payment thereof until paid, such interest to be calculated at a rate equal to the Prime Rate plus Five ( 5.000 %) per annum, calculated and payable monthly not in advance, both before and after default and judgment, with interest on overdue interest at the rate aforesaid.
- (3) **Enforcement Obligations:** All Enforcement Obligations shall be payable by the Mortgagor to the Mortgagee upon demand therefor by the Mortgagee to the Mortgagor together with interest thereon from the date such Enforcement Obligations become due and payable until paid, calculated at a rate equal to the Prime Rate plus two percent (2%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid.
- (4) **No Merger:** Neither the granting of this mortgage nor any proceeding taken hereunder or with respect hereto or under any securities or evidences of securities taken by the Mortgagee, nor any judgment obtained in such proceeding, shall operate as a merger of the Liabilities or of any simple contract debt or in any way suspend payment of, affect or prejudice the rights, remedies or powers, legal or equitable, which the Mortgagee may hold in connection with the Liabilities and any securities which may be taken by the Mortgagee in addition to, by way of renewal of, or in substitution for any present or future bill, promissory note, obligation or security evidencing the Liabilities or a part thereof, or be deemed a payment or satisfaction of the Liabilities or any part thereof or merger therein and any right reserved to the Mortgagee under any document may be exercised by the Mortgagee concurrently or consecutively with or to any other rights reserved to it.

(5) **Further Covenants:** The Mortgagor further covenants with the Mortgagee that the Mortgagor:

- (a) has a good title to the land and premises;
- (b) has the right to mortgage the land and premises and that on default the Mortgagee shall have quiet possession of the land and premises free from all encumbrances;
- (c) will execute such further assurances of the land and premises as may be requisite; and
- (d) has done no act to encumber the land and premises.

(6) **Covenants:** The Mortgagor further covenants with the Mortgagee that:

- (a) **Insurance:** The Mortgagor will forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by the perils of fire and such other perils as the Mortgagee may require, the premises, both during erection and thereafter, for a total amount not less than the lesser of the replacement cost of the premises and the amount of the Mortgagee's interest therein, with an insurance company and under policies satisfactory to the Mortgagee; and each policy of insurance shall provide that every loss shall be payable to the Mortgagee as its interest may appear in accordance herewith, subject to a standard form of mortgage clause approved by the Mortgagee; and each policy of insurance shall provide that the Mortgagee shall receive at least thirty (30) days prior notice of any cancellation or material alteration thereof; and the Mortgagor will forthwith assign, transfer and deliver to the Mortgagee the policies of insurance and all renewal receipts pertaining thereto; and no insurance will be carried on the premises other than such as is made payable to the Mortgagee in accordance with the provisions of this paragraph; and the Mortgagor will not do or omit or cause anything to be done, omitted or caused whereby the policies of insurance may become void; and the Mortgagor will pay all premiums necessary for such purposes promptly as the same shall become due and will deliver evidence of renewal to the Mortgagee at least seven (7) days prior to the expiration of any policy of insurance; and, in the event of any breach of the foregoing covenants respecting insurance, the Mortgagee, without prejudice to its other rights hereunder, may, at its option, effect such insurance to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and forthwith on the happening of any loss or damage, the Mortgagor will furnish at its own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and the production of this mortgage shall be sufficient authority for the insurance company to pay every such loss to the Mortgagee, and the insurance company is hereby directed thereupon to pay the same to the Mortgagee; and any insurance monies received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the premises or be paid to the Mortgagor or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the Liabilities or any part thereof whether due or not then due; and the Mortgagor hereby releases to the Mortgagee all its claims upon the mortgaged property subject to the said provisos;
- (b) **Taxes and Encumbrances:** The Mortgagor will pay when and as the same fall due all taxes, rates, levies, assessments, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged property or on this mortgage or on the Mortgagee in respect of this mortgage; and in default of payment, the Mortgagee may pay the amount of such taxes, rates, levies, assessments, liens, charges, encumbrances and claims, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;

- (c) **Assignment of Rents and Leases:** For the better securing to the Mortgagee the payment of the Liabilities, the Mortgagor hereby gives, grants, assigns, transfers and sets over unto the Mortgagee all leases, agreements, tenancies, quotas and licenses which affect the mortgaged property whether written, verbal or otherwise howsoever, including all renewals or extensions thereof, together with all rents and other monies payable thereunder and all rights, benefits and advantages to be derived therefrom; provided that nothing done in pursuance hereof shall have or be deemed to have the effect of making the Mortgagee responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the mortgaged property, or for the performance or observance of any provision of such leases and agreements;
- (d) **Fixtures:** Without restricting the generality of the term "fixtures", fences, plumbing, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all appliances and appurtenances relating thereto which now are or may hereafter be placed upon the mortgaged property by the Mortgagor or which now are or may hereafter be attached to the mortgaged property by the Mortgagor, and all farm machinery, improvements and irrigation systems, fixed or otherwise, and even though not attached to the land otherwise than by their own weight, shall be deemed to be fixtures and all fixtures shall form a part of the mortgaged property and are charged by and subject to this mortgage;
- (e) **Good Repair:** The Mortgagor will not remove any fixtures of any kind from the mortgaged property, and will keep the premises and all fixtures, gates, fences, drains and improvements for the time being subject to this mortgage in good and substantial repair, and will at all times make such repairs to, and if incomplete, will complete such buildings and improvements as may be required by the Mortgagee in writing; and will not without the consent in writing of the Mortgagee, commit or permit any kind of waste on the mortgaged property; and in default of any of the foregoing the Mortgagee may at its option enter upon the mortgaged property from time to time in order to inspect, and may at its option complete, repair and keep in repair the said premises, fixtures, gates, fences, drains and improvements without thereby becoming liable as mortgagee in possession and the amount expended by the Mortgagee in doing all or any of the foregoing things shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (f) **Erection of Improvements:** The Mortgagor will not, without the consent of the Mortgagee in writing, erect or permit to be erected on the mortgaged property any improvement, or enter into any contract that may cause the mortgaged property to be encumbered by a lien for work done, labor provided, services performed or material supplied and will keep the mortgaged property free from same;
- (g) **Inspection:** The Mortgagee, its agents, employees, and independent contractors may at any time enter upon the mortgaged property to inspect the mortgaged property, and where deemed necessary and/or advisable by the Mortgagee, to conduct investigations thereon, including, without limiting the generality of the foregoing, intrusive testing and sampling on the mortgaged property for the purpose of determining the presence of or the potential for environmental pollution, and the reasonable cost of such inspection and investigations paid for by the Mortgagee including any intrusive testing and sampling shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (h) **No Other Encumbrances:** The Mortgagor will not, without the consent of the Mortgagee in writing, grant, create, assume or suffer to exist any mortgage, charge, lien or other encumbrance against the mortgaged property, whether ranking in priority to or subsequent to this mortgage, and the Mortgagee may pay the amount of any mortgage, charge, lien or other encumbrance, now or hereafter existing upon the mortgaged property having or claiming priority over this mortgage. All monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and

- (i) **Compliance with Laws:** The Mortgagor covenants with the Mortgagee to at all times promptly observe, perform, execute and comply with all applicable laws, including without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, building construction, builders' liens, or public health and safety, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor will from time to time, upon request of the Mortgagee, provide to the Mortgagee evidence of such observance and compliance and will at its own expense make any and all improvements thereon or alterations to the mortgaged property, structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, and the Mortgagor will cause its tenants, agents and invitees to comply with all the foregoing at their own expense.
- (7) **Environmental Provisions:** The Mortgagor represents and warrants to the Mortgagee that there is no product or substance on the mortgaged property or on any property adjacent thereto which contravenes any environmental law or which is not being dealt with according to best recognized environmental practices, and that the mortgaged property is being used in compliance with all environmental laws. The Mortgagor will give the Mortgagee immediate notice of any material change in circumstances which would cause any of the foregoing representations and warranties to become untrue. The Mortgagor will indemnify the Mortgagee and each of its directors, officers, employees, agents and independent contractors, from all loss or expense (including, without limitation, legal fees on a solicitor and his own client basis) due to the Mortgagor's failure to comply with any environmental law or due to the presence of any product or substance referred to in this paragraph, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of this mortgage or the release from this mortgage of part or all of the mortgaged property. All amounts payable to the Mortgagee in respect of such indemnity shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation.
- (8) **Remedies for Breach of Covenants:** In the event of non-payment when due of the Liabilities or a part thereof, or upon breach of or default under any provision of any agreement evidencing or relating to the Liabilities or a part thereof, or upon breach of or default in any provision of this mortgage:
- (a) **Liabilities Due:** The Liabilities shall immediately become due and payable at the option of the Mortgagee unless such non-payment, breach or default is waived or postponed by the Mortgagee;
- (b) **May Enter on to Mortgaged Property to Lease or Sell:** The Mortgagee may on giving the minimum notice, if any, according to applicable law, enter on and lease or sell the mortgaged property; and the Mortgagee may collect the rents and profits and lease or sell as aforesaid without entering into possession of the mortgaged property; and the Mortgagee is hereby irrevocably appointed the attorney of the Mortgagor for the purpose of making such lease or sale, and for recovering all rents and sums of money that may become or are due or owing to the Mortgagor in respect of the mortgaged property, and for enforcing all agreements binding on any lessee or occupier of the mortgaged property or on any other person in respect of it, and for taking and maintaining possession of the mortgaged property, and for protecting it from waste, damage or trespass, and for making arrangements for completing the construction of, repairing or putting into order any buildings or other improvements on the mortgaged property, and for harvesting, threshing and marketing any crops on the land, keeping down and destroying any noxious weeds, summer fallowing, and working, breaking and otherwise farming any farm land, and for conducting remediation to bring the mortgaged property in compliance with recognized environmental standards, statutory or otherwise, and for executing all instruments, deeds and documents pertaining thereto, and for doing all acts, matters and things that may be necessary for carrying out the powers hereby given; and any such sale may be either for cash or on credit, or part cash and part credit, and by private sale or public auction, and at such sale the whole or any part of the mortgaged property may be sold; and the Mortgagee may vary or rescind any contract of sale made by virtue of these presents, and may buy in and resell the mortgaged property or any part thereof, without being responsible for any loss or deficiency on resale or expense occasioned thereby, and may sell on such terms as to credit or otherwise as to it shall seem appropriate, and for such prices as can reasonably be obtained therefor, and may make any stipulation as to title or evidence or commencement of title or otherwise as to it may seem proper, and no purchaser or lessee under such power shall be bound to inquire into the legality or regularity of any sale or lease under the said power, or to see to the application of the proceeds thereof, nor shall any omission, irregularity or want of notice invalidate or in any way affect the legality of any such sale or lease; and out of the money arising from such sale



or lease the Mortgagee shall be entitled to retain an amount equal to the Liabilities together with all expenses incurred in or about taking, recovering or keeping possession of the mortgaged property, selling or leasing the same or otherwise by reason of any default of the Mortgagor hereunder, including solicitor's fees and disbursements as between a solicitor and his own client, and any balance of monies remaining after the satisfaction of all claims of the Mortgagee, as hereinbefore provided, shall be paid to the Mortgagor but the Mortgagee shall in no event be liable to pay to the Mortgagor any monies except those actually received by the Mortgagee;

- (c) **Foreclosure:** The Mortgagee may take foreclosure or foreclosure and sale proceedings in respect of the mortgaged property in accordance with the provisions of the laws of the jurisdiction in which the mortgaged property is situate; and in the event of any deficiency on account of the Liabilities remaining due to the Mortgagee after realizing all the mortgaged property, then the Mortgagor will pay to the Mortgagee on demand the amount of such deficiency together with interest thereon until paid, calculated at a rate equal to the Prime Rate plus Five ( 5.000 %) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. In the event foreclosure proceedings are commenced in respect of the mortgaged property, then from the time of the application for an order nisi in such proceedings, the rate of interest payable under this mortgage shall, at the option of the Mortgagee, be fixed at the rate applicable under this mortgage at that time and shall thereafter remain at such fixed rate unless and until such proceedings have been settled or discontinued;
- (d) **Distraint:** The Mortgagee may distraint for arrears of the Liabilities, and as part of the consideration for any advance or creation of the Liabilities, the Mortgagor agrees to waive, and hereby waives, on the exercise of any such right of distress all rights to exemptions from seizure and distress under any law applicable in the jurisdiction in which the mortgaged property is situate;
- (e) **Receivership:** The Mortgagee may appoint a receiver of the mortgaged property and of the income of the mortgaged property, or any part thereof, and every such receiver shall be the agent of the Mortgagor and the Mortgagee shall be solely responsible for the receiver's acts or defaults; and such receiver shall have power to demand, recover and receive all the income of the mortgaged property, by action, distress or otherwise, either in the name of the Mortgagor or of the Mortgagee, and to give effectual receipts for the same; and the receiver may lease the mortgaged property and execute contracts in the name of the Mortgagor; provided that such receiver may be removed and a new receiver appointed from time to time by the Mortgagee, by writing under the hand of any authorized agent or solicitor; and it is further agreed that such receiver shall be entitled to retain out of the monies received by it a commission of five percent (5%) of the gross receipts, or such higher rate as any judge of any court having jurisdiction may allow upon application by it for that purpose, and also its disbursements in the collection of such income, and thereafter shall apply all monies received by it as such receiver as follows: namely, in discharge of all taxes, rates and accounts payable whatsoever affecting the mortgaged property and all liens, charges (including, without limitation, those imposed under environmental laws), annual sums or other payments and interest thereon, if any, having priority to this mortgage; in payment of the premiums on insurance payable under this mortgage; in payment of the cost of all necessary or proper repairs to the mortgaged property; and the balance, if any, thereafter upon the Liabilities; provided further that neither the existence of the foregoing relating to attornment, to distraint for arrears, to entry upon the mortgaged property, to foreclosure and to the said receivership, nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession so as to be accountable for any monies except those actually received; and
- (f) **Performance of Obligations:** The Mortgagee, at its option, may by and on behalf of the Mortgagor and at the sole cost and expense of the Mortgagor, and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed, any provision with respect to which default has occurred hereunder or under any provision of any agreement or dealing evidencing the Liabilities and for such purpose make such payments as are contemplated herein, and all monies expended by the Mortgagee for any such purpose shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation; provided however that nothing herein contained shall be deemed to hold the Mortgagee responsible for and the Mortgagee shall not be responsible for any loss arising out of its or its agents' or employees' observance or performance of any such provision. No remedy herein conferred is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under any security collateral hereto or now or hereafter existing at law or in equity.

- (9) **Bankruptcy:** If the Mortgagor shall commit an act of bankruptcy within the meaning of the Bankruptcy and Insolvency Act, become bankrupt or insolvent or shall be subject to the provisions of the Bankruptcy and Insolvency Act, the Companies Creditors Arrangement Act, the Winding Up Act or any other Act for the benefit of creditors or relating to bankrupt or insolvent debtors or go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency, the same shall constitute a breach of covenant pursuant to this mortgage.
- (10) **Costs to Protect Security:** All fees, charges, costs (including solicitor's fees and disbursements as between a solicitor and his own client) or expenses levied or charged by any solicitors or inspectors retained by or on behalf of the Mortgagee for the preparation, taking, registration, maintenance, protection or enforcement of this mortgage and any other securities which may be taken by the Mortgagee in connection with the Liabilities or any part thereof, together with the costs of any sale or abortive sale and of taking, recovering and keeping possession of the mortgaged property, the costs of inspecting or managing the same and generally any costs in any other proceeding, matter or thing taken or done in connection with or for completing the construction of, repairing or putting in order any buildings or other improvements on the mortgaged property, or for remediation to bring the mortgaged property into compliance with recognized environmental standards, statutory or otherwise, or to protect or realize upon this mortgage or any other security taken in connection with the Liabilities, or to perfect the title of the mortgaged property, or relating to expropriation of part or all of the mortgaged property, shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation. If the Mortgagor shall default in payment of any Enforcement Obligation on demand, the Liabilities shall at the option of the Mortgagee forthwith become due and payable unless such default is waived or postponed by the Mortgagee.
- (11) **Extension or Replacement of Covenants:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, in respect of the Liabilities or any part thereof give an extension of time, take the covenant of any purchaser of the equity of redemption of the mortgaged property or any part thereof, or any security whatsoever from them or from any other person, for the assumption and payment of the whole or any part of the Liabilities or for the due performance of any of the provisions hereof and any such action on the part of the Mortgagee shall not release the Mortgagor or any guarantor or surety from payment of the Liabilities or any part thereof or the performance of the said provisions or any of them; and the Mortgagee may also, in its discretion, compound with or release the Mortgagor or any one claiming under it, or any other person liable for payment of the Liabilities, or surrender, release or abandon or omit to perfect or enforce any securities, remedies or proceedings which the Mortgagee may now or hereafter hold, take or acquire, and may pay all monies received from the Mortgagor or others, or from securities upon such part of the Liabilities as the Mortgagee may think best without prejudice to or in any way limiting or lessening the liability of the mortgaged property or of any surety or obligor or any other person liable for payment of the Liabilities; and the Mortgagee shall incur no liability to any person by reason of anything aforesaid; any provision or liability aforesaid shall continue in full force as long as any of the Liabilities remain unpaid, but the Mortgagee shall not be bound to exhaust its recourse or remedies against the mortgaged property or the Mortgagor or other parties or the securities it may hold before being entitled to payment from any guarantor or surety of the Liabilities.
- (12) **Release of Lands:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, release any part of the mortgaged property or any other security for the Liabilities either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by it and without thereby releasing any other part of the mortgaged property, or any provision hereof, including any covenants or agreements on the part of any guarantor or surety for the payment of the Liabilities and the performance of the provisions hereof.
- (13) **No Waiver:** The permitting of or the acquiescence in the non-performance or non-observance of or the extension of time for the performance of any of the provisions of this mortgage shall not be or constitute any waiver of or cure any continuing or subsequent default, and shall not justify any default or delay on any other occasion and no waiver shall be inferred from or implied by anything done or omitted by the Mortgagee, except by express agreement.

- (14) **No Apportionment:** Every part, lot or unit into which the mortgaged property is or may hereafter be divided stands charged with the whole of the Liabilities and no person shall have any right to require the Liabilities to be apportioned on or in respect of any such part, lot or unit, or to require the charge of this mortgage to be released or discharged in respect of any such part, lot or unit, and the Mortgagor hereby waives any provision of any legislation which provides for such right.
- (15) **All Taxes Paid:** The Mortgagor represents and warrants that it has paid all taxes, interest and penalties payable by it under the provisions of federal, provincial and municipal statutes or by-laws relating thereto, and which may create a charge or lien upon the mortgaged property.
- (16) **Expropriation:** In the event that the whole or any material portion of the mortgaged property is expropriated by any entity empowered to do so, then at the option of the Mortgagee all Liabilities shall forthwith become due and payable. The Mortgagor hereby waives the provisions of any law applicable in the jurisdiction in which the mortgaged property is situate which would restrict recovery under this mortgage to recovering the market value of this mortgage at the date of any expropriation if the market value is then less than the amount of the Liabilities. In the event such market value is less than the amount of the Liabilities and the Mortgagee receives from the expropriating authority the market value of this mortgage, the Mortgagor shall, notwithstanding the provisions of any such law, forthwith upon demand pay to the Mortgagee the remaining portion as a separate debt together with interest thereon until paid at a rate equal to the Prime Rate plus Five (5.000 %) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. The proceeds from any expropriation affecting the whole or any part of the mortgaged property shall be paid to the Mortgagee in priority to the claims of any other person.
- (17) **Discharge:** The Mortgagor shall not be entitled to a discharge of this mortgage unless and until the Liabilities have been paid in full or are no longer in existence, the Mortgagee has no further obligations to the Mortgagor in respect of any Liabilities and the Mortgagor has kept and performed all of the provisions hereunder and under any provision of any agreement evidencing the Liabilities; and the Mortgagee shall have a reasonable time after payment or termination of the Liabilities within which to prepare or have prepared an executed discharge of this mortgage, and interest shall continue to run and accrue until all Liabilities have been paid and actual payment in full has been received by the Mortgagee and all legal and other expenses for the preparation and execution of such discharge and any administration fee of the mortgagee in connection therewith shall be borne by the Mortgagor.
- (18) **Condominium Units:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property constitutes a condominium or a unit in a condominium:
- (a) The Mortgagor covenants with the Mortgagee that the Mortgagor will observe and perform each and every provision required to be observed and performed under or pursuant to the terms of this mortgage, each and every provision of any law applicable in the jurisdiction in which the mortgaged property is situate which affects such condominium or unit in a condominium and the by-laws and any amendments thereto of the condominium corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium being charged by this mortgage (hereafter referred to as the "Condominium Corporation");
  - (b) Without limiting the generality of the foregoing subparagraph, the Mortgagor covenants to pay promptly when due any and all unpaid assessments, instalments or payments due to the Condominium Corporation;
  - (c) In addition to the Mortgagor's obligations hereunder to insure the mortgaged property, the Mortgagor covenants and agrees to provide the Mortgagee, from time to time upon the Mortgagee's request, with evidence satisfactory to the Mortgagee that the Condominium Corporation keeps the condominium insured in favour of the Mortgagee against all risks of direct physical loss or damage on a replacement cost basis for an amount equal to the full replacement value of the condominium; provided that, if the Condominium Corporation neglects to keep the condominium insured as aforesaid, the Mortgagee shall be entitled but shall not be obligated to insure the condominium to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable on demand and shall constitute an Enforcement Obligation;

- (d) As a member of the Condominium Corporation, the Mortgagor covenants and agrees to seek the full compliance by the Condominium Corporation with the requirement that the Condominium Corporation insure the condominium; and the Mortgagor hereby releases to the Mortgagee all of the Mortgagor's claim upon the Condominium Corporation, subject to the terms of the said insurance policy;
  - (e) The Mortgagee authorizes the Mortgagor to vote respecting all matters relating to the affairs of the Condominium Corporation, provided that the Mortgagee may at any time upon written notice to the Mortgagor and the Condominium Corporation, revoke this authorization, in which case all power to vote shall rest in the Mortgagee, although the Mortgagee shall be under no obligation to vote to protect the interests of the Mortgagor or to vote in any particular manner;
  - (f) The Mortgagor further covenants that, where the Mortgagor defaults in the Mortgagor's obligations to pay any assessment, instalment or payment due to the Condominium Corporation, or upon breach of any provision contained in this paragraph, regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor, may deem such default to be default under the terms of this mortgage and proceed to exercise its rights herein;
  - (g) Upon default herein and notwithstanding any other right or action of the Condominium Corporation or the Mortgagee, the Mortgagee may distrain for arrears of any assessment, instalment or payment due to the Condominium Corporation or arising under this paragraph; and
  - (h) The Mortgagor covenants to request the Condominium Corporation to send to the Mortgagee copies of all notices sent to the Mortgagor, and the Mortgagor covenants to notify the Mortgagee of any breaches by the Condominium Corporation that come to the attention of the Mortgagor.
- (19) **Farm Lands:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property is or includes farm lands:
- (a) In addition to the Mortgagor's obligations herein to insure the mortgaged property, the Mortgagor covenants and agrees to forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by hail and such other perils as the Mortgagee may require, all crops now or hereafter to be grown on the land;
  - (b) The Mortgagor will in each year during the currency of this mortgage either put into crop or summer fallow in good, proper and husbandlike manner every portion of the land which has been or may hereafter be brought under cultivation, and will keep the land clean and free from all noxious weeds and generally see that the mortgaged property does not depreciate in any way; and
  - (c) The Mortgagor will pay when and as the same fall due any charges for keeping down and destroying noxious weeds on the land and in default of payment the Mortgagee may pay the same, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation.
- (20) **Due on Sale or on Change in Ownership:** In the event that the Mortgagor shall sell, convey, transfer or otherwise dispose of the mortgaged property, or enter into any agreement to sell, convey, transfer or otherwise dispose of or lose title thereto, the Liabilities shall forthwith become due and payable at the option of the Mortgagee. In the event that the Mortgagor is a corporation, and in the event that there is a sale or sales which result in a transfer of the legal or beneficial interest of a majority of the shares in the capital of the Mortgagor or there is a change in the effective control of a majority of the voting shares in the capital of the Mortgagor, then the Liabilities shall forthwith become due and payable at the option of the Mortgagee.
- (21) **Cross Default:** In the event that the Mortgagor makes default under any mortgage, charge, lien or other encumbrance against the mortgaged property ranking or claiming priority over this mortgage, the same shall constitute default under this mortgage and the Liabilities shall at the option of the Mortgagee forthwith become due and payable, and the Mortgagee shall be at liberty to exercise its rights under this mortgage.

- (22) **No Obligation to Advance:** Neither the execution nor registration of this mortgage nor the advancing or creation of any part of the Liabilities shall bind the Mortgagee to advance or create any further Liabilities; and notwithstanding anything herein contained, all payments to be made on or by virtue of this mortgage shall be made in lawful money of Canada to the Mortgagee at its Head Office or at such other place as the Mortgagee may, from time to time, in writing designate.
- (23) **Proving of Prime Rate:** In the event that it may be necessary at any time for the Mortgagee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Manager for the time being of the branch of the Mortgagee responsible for the collection of the Liabilities setting forth the Prime Rate as at any time or times shall be and shall be deemed to be conclusive evidence as to the Prime Rate.
- (24) **Lawful Interest Rate:** In the event interest chargeable or payable on principal or interest or on arrears of principal or interest as provided for in this mortgage is in excess of that permitted by the Interest Act (Canada) or any other applicable law, then in such event, interest payable and chargeable on such principal or interest or on arrears of principal or interest under this mortgage shall be chargeable and payable at the highest lawful rate permitted by the Interest Act (Canada) or such other applicable law and no other interest on principal or interest or on arrears of principal or interest shall be chargeable or payable hereunder.
- (25) **Type of Land Ownership:**
- (a) **Freehold:** If this mortgage is a mortgage of a fee simple interest, the Mortgagor represents and warrants to the Mortgagee that it has a fee simple interest in possession in the mortgaged property and that it has full power to mortgage the mortgaged property.
  - (b) **Leasehold:** If the interest of the Mortgagor in the mortgaged property derives from a lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license of the mortgaged property (such lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license including any renewal, extension, modification, replacement or assignment thereof is hereinafter collectively called the "Lease"), then the following additional provisions apply with respect to such interest:
    - (i) all references in this mortgage to "mortgaged property" shall include all right, title and interest of the Mortgagor from time to time in and to the Lease and the lands and premises demised under the Lease, including any greater right, title or interest therein or in any part thereof acquired after the date of this mortgage;
    - (ii) the Mortgagor grants, mortgages, demises, sub-leases and charges to the Mortgagee all estate, term, right, title and interest of the Mortgagor in and to the Lease and the mortgaged property, together with any and all other, further or additional title, estate, interest or right therein or any part thereof which may at any time be acquired by the Mortgagor in or to the lands and premises demised by the Lease during the term of the mortgage, and all benefit and advantage therefrom for the Mortgagee including any right or option to purchase or to lease contained therein, to have and to hold for and during the remainder of the term of the Lease, save and except the last day thereof, as security for the payment to the Mortgagee of the Liabilities, plus the interest on the Liabilities, Enforcement Obligations and all other amounts secured by this mortgage and for the performance of all liabilities and obligations secured by this mortgage upon the terms set out in this mortgage;
- (26) **Representations and Warranties regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold title, the Mortgagor represents and warrants to the Mortgagee that:
- (a) the leasehold estate which is the subject of this mortgage arises under the Lease, which has not been further modified or amended;
  - (b) the Lease is a valid, effective and subsisting lease which has not been surrendered or forfeited, and the Lease is not presently subject to any assignment, mortgage or other encumbrance;
  - (c) the Mortgagor has taken possession of the mortgaged property and all sums due under the Lease have been paid in full to the date hereof;

- (d) the Mortgagor has full power to mortgage the Lease (subject to the consent, if necessary, of the lessor), and if the consent of the lessor is required, such consent has either been obtained or will be obtained prior to any advance of monies secured by this mortgage; and
- (e) "Lease" means the lease from \_\_\_\_\_ to \_\_\_\_\_ dated \_\_\_\_\_ commencing on \_\_\_\_\_ and expiring on \_\_\_\_\_ subject only to the following amending agreements, if any:

(27) **Covenants regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold estate, the Mortgagor covenants with the Mortgagee that:

- (a) it will not modify or amend or consent to any modification or amendment to the Lease without the prior written consent of the Mortgagee;
- (b) it will not surrender or forfeit or consent to any surrender or forfeiture of the Lease, and it will not without the prior written consent of the Mortgagee further assign, mortgage or otherwise encumber the Lease;
- (c) it will not postpone or subordinate its interest in Lease to any other mortgage or encumbrance without the prior written consent of the Mortgagee;
- (d) it will faithfully comply with each provision of the Lease and will do all things necessary to preserve the Lease and the lessee's rights thereunder;
- (e) it will promptly notify the Mortgagee of any default under the Lease by the Mortgagor, or the giving or receipt of any notice of default in respect thereof, and it agrees to request that the lessor provide the Mortgagee with the opportunity (but not the obligation) to cure any default under the Lease and any amount which may be required to be paid by the Mortgagee to cure such default and the costs thereof (including any legal costs as between solicitor and client) shall constitute an Enforcement Obligation;
- (f) the Mortgagor will notify the Mortgagee of each and every notice of default, demand or claim forwarded to or served upon the Mortgagor by the lessor under the Lease;
- (g) it will notify the Mortgagee promptly in writing after learning of any condition that with or without the passage of time or the giving of any notice might result in a default under or the termination of the Lease;
- (h) if the Mortgagor becomes the owner of the freehold title to the mortgaged property, then
 

if the mortgaged property is located in Alberta or Saskatchewan, it hereby mortgages to the Mortgagee all of its estate and interest in the mortgaged property, freehold and otherwise, such mortgage to take effect on the Mortgagor acquiring the freehold title thereof, and this mortgage will thereupon be deemed to be a mortgage of the freehold title as if the Mortgagor had been the owner in fee simple at the date of execution of this mortgage and the Mortgagor agrees, if so requested by the Mortgagee, to execute in favour of the Mortgagee a mortgage covering the freehold estate on the same terms and conditions as are contained in this mortgage; and

if the mortgaged property is located in the Northwest Territories or Nunavut Territory, it agrees to provide to the Mortgagee, on request, a mortgage of all of its estate and interest in the mortgaged property, freehold and otherwise;
- (i) it will indemnify the Mortgagee against any claims and demands in respect of the Lease, including any legal costs incurred by the Mortgagee in connection therewith, on a solicitor and client basis;
- (j) the Mortgagor will at all times promptly observe and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal, or otherwise, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor

will from time to time, upon request of the Mortgagee, provide to the mortgagee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the mortgaged property structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

- (k) if this mortgage is outstanding at the end of the term of the Lease, it will at the appropriate time seek a renewal of the Lease or the issuance of a new lease in substitution and will promptly notify the Mortgagee if it becomes aware that such a renewed or substituted lease may not be forthcoming. The Mortgagor will provide a copy of any such renewed or substituted lease to the Mortgagee upon issuance and such a renewed or substituted lease will be included within the definition of the Lease hereunder and for greater certainty, will be subject to this mortgage.
- (l) The Mortgagor agrees that it will from the date of execution of this mortgage stand possessed of the last day of the term of the Lease (whether it is the last date of the present term or of any extended term) and all rights, privileges and options of the Mortgagor under the Lease, in trust for the Mortgagee. The Mortgagor further agrees it will assign and dispose of said last day, consistent with the terms of the Lease, as the Mortgagee may direct, but subject to the Mortgagor's right of redemption. The Mortgagor irrevocably appoints the Mortgagee as its attorney for on behalf of the Mortgagor and in its name or otherwise to assign the said last day and privileges as the Mortgagee shall at any time direct, consistent with the terms of the Lease. The Mortgagor further agrees that upon a sale or other disposition made by the Mortgagee, and if requested by the Mortgagee, to assign the last day and privileges and options relating thereto to the purchaser or assignee and to exercise any and all assignments and transfers for that purpose; and the Mortgagee may at any time, by deed or other instrument, remove the Mortgagor or any other person as trustee for the last day and appoint a new trustee or trustees in its place.
- (m) **Information:** The Mortgagor authorizes the Mortgagee to contact the lessor from time to time to obtain information regarding the rent or other sums payable under the Lease, the status of payment thereof and any other information relating to the Lease or default thereunder.
- (n) **Breach:** The Mortgagor agrees that it will be deemed to constitute a breach of the provisions of this mortgage if the leasehold estate which is the subject of this mortgage ceases to exist.
- (28) **Special Provisions:** The Mortgagor covenants with the Mortgagee that in the event the mortgaged property is situate in the Province of Saskatchewan and the Mortgagor is a body corporate, the Mortgagor agrees that:
  - (a) The Land Contracts (Actions) Act of the Province of Saskatchewan shall have no application to an action, as defined in the said Act, with respect to this mortgage; and
  - (b) The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof shall have no application to this mortgage or any agreement or instrument renewing or extending or collateral to this mortgage, or the rights, powers or remedies of any other person under this mortgage, or any such agreement or instrument renewing or extending or collateral to this mortgage.
- (29) **Severability:** If any provision of this mortgage or the application thereof to any person is to any extent held invalid or unenforceable, the remainder of this mortgage or the application of such provision to persons other than those with respect to which it is held invalid or unenforceable shall not be affected thereby and shall continue to be enforceable to the fullest extent permitted by law.
- (30) **Joint and Several:** In the event there is more than one Mortgagor hereunder, the terms, conditions and other obligations of each Mortgagor hereunder shall be joint and several.
- (31) **Interpretation:** The words used herein which import the singular number and neuter shall be read and construed as plural and feminine or masculine, as the case may be, and the terms of this mortgage shall be binding upon and apply to the party's heirs, executors, administrators, successors or assigns, as applicable.





**AFFIDAVIT OF EXECUTION**

*(To be completed where the mortgage is signed by an individual or by a corporation without seal)*

I, Houman Agahi, Barrister and Solicitor, of the City of Calgary, in the Province/Territory of Alberta

**MAKE OATH AND SAY:**

1. That I was personally present and did see: Seama Shalchi-Moghaddam and ~~\_\_\_\_\_~~ named in the within instrument who is (are) known to me to be the person(s) named therein, duly sign, seal and execute the same for the purposes named therein.
2. That the same was executed at the City of Calgary in the Province/Territory of Alberta, and that I am the subscribing witness thereto.
3. That I know the said person(s) named in paragraph 1 and he (she) (they) is (are) in my belief of the full age of eighteen years (or nineteen years if the lands are situate in the Northwest Territories or Nunavut Territory).

SWORN BEFORE ME at the City of Calgary in the Province/Territory of Alberta this 2 day of February 2018

Jiaocen Shi  
(A Commissioner for Oaths in and for the Province/Territory of Alberta)  
My Commission expires March 15 2020

  
Houman Agahi  
Barrister and Solicitor

**AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY**  
*(To be completed where the mortgage is signed by a corporation without seal)*

I, Seama Shalchi-Moghaddam, of the City of Calgary, in the Province/Territory of Alberta,

MAKE OATH AND SAY THAT:

1. I am an officer or a director of Seama Shalchi-Moghaddam Professional Corporation named in the within instrument.
2. I am authorized by the corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of Calgary, )  
in the Province/Territory of Alberta, )  
this 7<sup>th</sup> day of February, 2018 )  
\_\_\_\_\_ )

  
\_\_\_\_\_  
Seama Shalchi-Moghaddam

(A Commissioner for Oaths in and  
for the Province/Territory of Alberta )  
My Commission expires \_\_\_\_\_, \_\_\_\_\_

Houman Agahi  
Barrister, Solicitor and a Commissioner for Oaths  
in and for the Province of Alberta

**ALBERTA DOWER ACT REQUIREMENTS**

*(To be utilized where the mortgaged property is located in Alberta and the mortgaged property is owned by only one individual. If any of the affidavit options are applicable, the Alberta Consent of Spouse and Certificate of Acknowledgement by Spouse do not need to be completed. If none of the affidavit options are applicable, the Alberta Consent of Spouse and Alberta Certificate of Acknowledgement by Spouse must be completed.)*

**ALBERTA DOWER ACT AFFIDAVIT**

I, \_\_\_\_\_, of \_\_\_\_\_,  
(Occupation)

**MAKE OATH AND SAY THAT:**

I. I am the mortgagor (or the agent acting under power of attorney in my favour registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ as instrument number \_\_\_\_\_ granted by the mortgagor) named in the within instrument.

\*Delete and initial whichever options do not apply

\* I am (or My principal is) not married.

or

\* Neither myself nor my spouse (or my principal nor his/her spouse) have resided on the within mentioned land at any time since our (or their) marriage.

or

\* I am (or My principal is) married to \_\_\_\_\_ being the person who executed the release of dower rights registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_ as instrument number \_\_\_\_\_.

or

\* A judgment for damages was obtained against me by my spouse (or my principal by his/her spouse) and registered in the Land Titles Office on the \_\_\_\_\_ day of \_\_\_\_\_ as instrument number \_\_\_\_\_.

SWORN BEFORE ME at \_\_\_\_\_, )  
in the Province of \_\_\_\_\_, )  
this \_\_\_\_\_ day of \_\_\_\_\_, )  
\_\_\_\_\_ )

\_\_\_\_\_  
Signature of Mortgagor

(A Commissioner for Oaths in and  
for the Province of Alberta)  
My Commission expires \_\_\_\_\_, \_\_\_\_\_

**ALBERTA CONSENT OF SPOUSE**

I, \_\_\_\_\_, being married to the above named \_\_\_\_\_, do hereby give my consent to the disposition of our homestead made in this instrument, and I have executed this document for the purpose of giving up my life estate and other dower rights in the said property given to me by THE DOWER ACT, to the extent necessary to give effect to the said disposition.

\_\_\_\_\_  
(Signature of Spouse)

~~ALBERTA CERTIFICATE OF ACKNOWLEDGEMENT BY SPOUSE~~

1. This document was acknowledged before me by \_\_\_\_\_  
apart from her husband (or his wife)
2. \_\_\_\_\_ acknowledged to me that she (or he),
  - (a) is aware of the nature of the disposition;
  - (b) is aware that THE DOWER ACT gives her (or him) a life estate in the homestead and the right to prevent disposition of the homestead by withholding consent;
  - (c) consents to the disposition for the purpose of giving up the life estate and other dower rights in the homestead given to her (or him) by THE DOWER ACT, to the extent necessary to give effect to the said disposition; and
  - (d) is executing this document freely and voluntarily without any compulsion on the part of her husband (or his wife).

DATED at \_\_\_\_\_, in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_,

~~\*The Commissioner  
shall not be an employee  
of Royal Bank~~

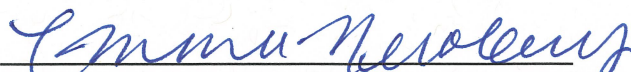
~~\*A Commissioner for Oaths in and for the Province of Alberta  
My Commission expires \_\_\_\_\_~~

THIS IS EXHIBIT "8"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**

*Barrister & Solicitor*

**DENTONS CANADA LLP**

20th Floor, 250 Howe Street

Vancouver, B.C. V6C 3R8

Telephone (604) 687-4460

Assignment of Life Insurance Policy

SRF #: 000-579-464-900

(All copies are to be signed by the policy holder and by every beneficiary or other person having an interest in the policy.)

For Valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby assign(s), transfer(s) and set(s) over to ROYAL BANK OF CANADA (the "Bank") the insurance policy bearing policy number, 960 6255420 (the "Policy") issued to the undersigned by The Manufacturers Life Insurance Company (the "Insurer") and all rights of the undersigned thereunder and all moneys which may at any time be or become payable thereunder or in connection therewith or be derived therefrom, including, without limitation, all bonuses, additions, profits and all other increments and any interest thereon, together with all moneys otherwise held in connection with or for the purposes of the Policy, including, without limitation, all premiums paid in advance and any interest thereon; with full power being hereby granted by the undersigned to the Bank to recover, receive and give receipts for all or any of such moneys and to surrender, assign and otherwise dispose of or deal with the same and the Policy; and the Insurer is hereby requested to give effect to all of the foregoing.

Signed, Sealed and Delivered by the undersigned this February 7 2018.  
(Month) (Day) (Year)

IN THE PRESENCE OF

[Signature]  
witness  
**HOUMAN AGAHI**  
Barrister & Solicitor

[Signature] Seal  
Siam Shajeh Moghaddam policy holder

[Signature]  
witness

[Signature] Seal  
Siam Shajeh Moghaddam policy holder

[Signature]  
witness  
**HOUMAN AGAHI**  
Barrister & Solicitor

[Signature] Seal  
Siam Shajeh Moghaddam beneficiary

**Assignment of Life Insurance Policy**


(All copies are to be signed by the policy holder and by every beneficiary or other person having an interest in the policy.)

For Valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby assign(s), transfer(s) and set(s) over to ROYAL BANK OF CANADA (the "Bank") the insurance policy bearing policy number 9606255420 (the "Policy") issued to the undersigned by MAHREFAATUARS LIFE INSURANCE (the "Insurer") and all rights of the undersigned thereunder and all moneys which may at any time be or become payable thereunder or in connection therewith or be derived therefrom, including, without limitation, all bonuses, additions, profits and all other increments and any interest thereon, together with all moneys otherwise held in connection with or for the purposes of the Policy, including, without limitation, all premiums paid in advance and any interest thereon; with full power being hereby granted by the undersigned to the Bank to recover, receive and give receipts for all or any of such moneys and to surrender, assign and otherwise dispose of or deal with the same and the Policy; and the Insurer is hereby requested to give effect to all of the foregoing.

Signed, Sealed and Delivered by the undersigned this February 07, 2018  
(Month) (Day) (Year)

IN THE PRESENCE OF

  
\_\_\_\_\_  
witness  
**HOUMAN AGAHI**  
Barrister & Solicitor

  
\_\_\_\_\_  
policy holder  
**SEEMA SHALCHI MCELDAM**



\_\_\_\_\_  
witness

\_\_\_\_\_  
policy holder



  
\_\_\_\_\_  
witness  
**HOUMAN AGAHI**  
Barrister & Solicitor

  
\_\_\_\_\_  
beneficiary  
**SEEMA SHALCHI MCELDAM**



\_\_\_\_\_  
witness

\_\_\_\_\_  
beneficiary



**Assignment of Life Insurance Policy**

(All copies are to be signed by the policy holder and by every beneficiary or other person having an interest in the policy.)

For Valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby assign(s), transfer(s) and set(s) over to ROYAL BANK OF CANADA (the "Bank") the insurance policy bearing policy number 9606255400 (the "Policy") issued to the undersigned by MALIVEVNIER'S LIFE INSURANCE CO. OF CANADA (the "Insurer") and all rights of the undersigned thereunder and all moneys which may at any time be or become payable thereunder or in connection therewith or be derived therefrom, including, without limitation, all bonuses, additions, profits and all other increments and any interest thereon, together with all moneys otherwise held in connection with or for the purposes of the Policy, including, without limitation, all premiums paid in advance and any interest thereon; with full power being hereby granted by the undersigned to the Bank to recover, receive and give receipts for all or any of such moneys and to surrender, assign and otherwise dispose of or deal with the same and the Policy; and the Insurer is hereby requested to give effect to all of the foregoing.

So long as this Assignment remains in effect, the undersigned also covenant(s) and agree(s) with the Bank as follows:

1. The Policy is a good, valid and subsisting insurance policy, and it has not been forfeited or rendered void or voidable, and no assignment or other disposal thereof in any way prejudicial to or inconsistent with this Assignment has been made, and the Policy is assigned with good right and full power to assign the same to the Bank, and all rights to redemption of the Policy are hereby renounced by the undersigned.
2. The undersigned will, as and when the same shall become due and payable, pay or cause to be paid all premiums upon the Policy, and do or cause to be done all other acts and things which may be necessary for keeping the same in full force, and will from time to time execute all such further assignments of the Policy as may be reasonably required by the Bank.
3. The Bank may, but shall not be bound to, pay any premium or premiums upon the Policy, but shall not be responsible for any loss occasioned by the nonpayment of any premium notwithstanding that it may have paid prior premiums, and the amount of every premium paid by the Bank shall be repaid forthwith by the undersigned to the Bank with interest thereon at a rate equal to the Bank's Prime Interest Rate per annum in effect from time to time plus Two Percent (2%) per annum from the time of payment by the Bank, as aforesaid, to the time of repayment by the undersigned, as aforesaid. For the purpose hereof "Prime Interest Rate" means the annual rate of interest announced from time to time by the Bank as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.
4. The Bank may at any time, without the further consent of any party hereto, exercise and take the benefit of any option given to the holder of the Policy either by the terms thereof or otherwise by the Insurer and give effectual receipts in all matters relating to or arising in respect of the Policy.
5. If evidence of the payment of any premium upon the Policy shall not be furnished to the Bank at least three (3) days prior to the same becoming due and payable, the Bank may surrender the Policy and accept the cash value thereof or accept a paid-up policy in lieu thereof, and all powers of sale or surrender hereby conferred shall apply to such paid-up policy.
6. The undersigned agrees that this Assignment is given to the Bank as a continuing collateral security for payment and satisfaction to the Bank of all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed at any time owing by SEAMA SHALCHI MOGHADDAM PROFESSIONAL CORPORATION ("the Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside Canada and whether the Customer be bound alone or with another or others and whether as principal or surety and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again (such obligations, debts and liabilities being hereinafter called the "liabilities"), with full power to collect, demand, sue for, recover and receive the Policy and the proceeds thereof and to give valid and binding receipts and discharges therefor, the whole to the same extent and with the same effect as if the Bank were the absolute owner of the Policy and without regard to the state of the account(s) between the Customer and the Bank.
7. If the Customer shall fail to pay any of the liabilities to the Bank, or if the undersigned shall commit any breach of, or fail to perform, any obligation arising hereunder, the Bank may, without any notice to any party hereto or any other person, firm or corporation, (a) sell by public or private sale or otherwise dispose of the Policy for such consideration as it may (in its sole and absolute discretion) see fit or, (b) surrender the Policy and accept the surrender value thereof or, (c) credit the Customer with the amount of the surrender value of the Policy, in which case the Policy shall thereupon be and become the absolute property of the Bank.
8. The Bank may grant time, indulgences, releases and discharges, except compositions, take or abstain from taking or perfecting and give up security, cease or refrain from giving credit or making loans or advances and otherwise deal with the Customer and others and with the Policy and other security as the Bank may see fit, without prejudice to the Bank's rights to hold and realize upon the Policy.
9. This Assignment shall remain in full force and effect notwithstanding the payment at any time or times, of any sum or sums of money for the time being due and owing to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from any other persons or estates shall be regarded for all purposes as payments in gross without any rights on the part of the undersigned to claim in limitation or abatement of this Assignment the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank, and the undersigned shall have no right with respect to the Policy or any portion thereof not applied in payment and satisfaction of the liabilities of the Customer to the Bank or any other right in connection with the Policy until all of the said liabilities shall have been paid and satisfied in full with interest and accessories.



10. All moneys, advances, renewals and credits in fact borrowed or obtained from the Bank shall be deemed to form part of the liabilities of the Customer to the Bank, notwithstanding any lack of limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or viable entity or any irregularity, defect or informality in the borrowing or obtaining of such moneys, advances, renewals or credits, the whole whether known to the Bank or not.

11. All the provisions hereof shall apply to any policy which may be substituted for the Policy and to all rights of the undersigned under and all moneys which may at any time be or become payable under or in connection with or be derived from or be held in connection with or for the purposes of such substituted policy.

12. The Bank shall not be responsible for any loss which may be occasioned by the exercise of or the failure to exercise either or both any of the powers and rights herein contained or for the negligence of any solicitor or agent employed by it and shall not be liable for any loss resulting therefrom.

13. This Assignment is given in addition to and not in substitution for any other assignment heretofore given to and still held by the Bank and this Assignment is taken by the Bank as additional security for the payment and satisfaction of the liabilities to the Bank and shall not operate as a merger of any simple contract debt or in any way suspend or prejudice or affect any of the rights, remedies and powers of the Bank in respect of the liabilities or any security or securities held by the Bank for the fulfillment thereof.


14. All rights and powers of the Bank hereunder shall inure to the benefit of its successors and assigns and all obligations of the other parties hereto shall be binding upon their respective heirs, executors, administrators, legal representatives, successors and assigns.

15. The undersigned has expressly requested that this document be drawn up in the English language. Let(s) soussigné(s) a (ont) expressément demandé que ce document soit rédigé en langue anglaise.

IN WITNESS WHEREOF this Assignment has been executed under seal this February 07, 2018  
(Month) (Day) (Year)


SIGNED, SEALED AND DELIVERED  
in the presence of

  
\_\_\_\_\_  
witness  
**HOU MAN AGAHI**  
Barrister & Solicitor

  
\_\_\_\_\_  
policy holder  
**SEEMA SHALINI M B MADHARAN**



\_\_\_\_\_  
witness

  
\_\_\_\_\_  
policy holder




  
\_\_\_\_\_  
witness  
**HOU MAN AGAHI**  
Barrister & Solicitor

  
\_\_\_\_\_  
beneficiary  
**SEEMA SHALINI M B MADHARAN**



\_\_\_\_\_  
witness

  
\_\_\_\_\_  
beneficiary



N.B. - The foregoing Assignment is to be signed by every party having an interest in the Policy whether as insured person or beneficiary, or as the assignee of either or both of them.

**THIS IS EXHIBIT "9"**

**REFERRED TO IN THE AFFIDAVIT OF**

**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**

A handwritten signature in blue ink that reads "Emma Newbery". The signature is written in a cursive style and is positioned above a horizontal line.

**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**

*Barrister & Solicitor*

**DENTONS CANADA LLP**

20th Floor, 250 Howe Street

Vancouver, B.C. V6C 3R8

Telephone (604) 687-4460

Search ID #: Z15331039

**Transmitting Party**

DENTONS CANADA LLP  
Attention: Accounting  
15 FI Bankers Court, 850 2 Street SW  
CALGARY, AB T2P 0R8

Party Code: 50017904  
Phone #: 403 268 6876  
Reference #: 125665-9250

Search ID #: Z15331039

Date of Search: 2022-Aug-22

Time of Search: 14:53:30

**Business Debtor Search For:**

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

Exact Result(s) Only Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.



Search ID #: Z15331039

**Business Debtor Search For:**

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

Search ID #: Z15331039

Date of Search: 2022-Aug-22

Time of Search: 14:53:30

---

Registration Number: 18011919247

Registration Date: 2018-Jan-19

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2023-Jan-19 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

Current

1 SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION  
20 DISCOVERY RIDGE RISE SW  
CALGARY, AB T3H 4R2

**Secured Party / Parties**

**Block**

**Status**

Current

1 ROYAL BANK OF CANADA  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO, ON M2P 0A4

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z15331039

**Business Debtor Search For:**

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

Search ID #: Z15331039

Date of Search: 2022-Aug-22

Time of Search: 14:53:30

---

Registration Number: 18030622985

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Mar-06

Registration Status: Current

Expiry Date: 2028-Mar-06 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION  
20 DISCOVERY RIDGE RISE SW  
CALGARY, AB T3H 4R2

Current

**Secured Party / Parties**

**Block**

**Status**

1 ROYAL BANK OF CANADA  
300-5575 NORTH SERVICE RD  
BURLINGTON, ON L7L 6M1

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 AS PER MASTER LEASE AGREEMENT DATED MARCH 6TH, 2018 TOGETHER WITH ALL INVENTORY AND EQUIPMENT NOW OR HEREAFTER ACQUIRED BY THE DEBTOR AND FINANCED BY THE SECURED PARTY TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Current

Result Complete

**THIS IS EXHIBIT "10"**  
**REFERRED TO IN THE AFFIDAVIT OF**  
**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
**DENTONS CANADA LLP**  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



LAND TITLE CERTIFICATE

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0036 133 320              1411261;52                      181 043 520

LEGAL DESCRIPTION  
CONDOMINIUM PLAN 1411261  
UNIT 52  
AND 81 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 4;29;23;16;SW

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 151 021 321

-----  
   REGISTERED OWNER(S)  
REGISTRATION      DATE (DMY)      DOCUMENT TYPE      VALUE      CONSIDERATION  
-----  
181 043 520      23/02/2018      TRANSFER OF LAND      \$355,000      NOMINAL

OWNERS

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION.  
OF 304, 11420-27 ST SE  
CALGARY  
ALBERTA T2Z 3R6

-----  
ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION  
NUMBER      DATE (D/M/Y)      PARTICULARS  
-----  
981 401 728      22/12/1998      UTILITY RIGHT OF WAY  
   GRANTEE - THE CITY OF CALGARY.  
   AS TO PORTION OR PLAN:9813649  
  
981 401 729      22/12/1998      RESTRICTIVE COVENANT  
  
981 401 730      22/12/1998      CAVEAT  
   RE : RESTRICTIVE COVENANT  
  
991 039 532      10/02/1999      CAVEAT

( CONTINUED )

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

# 181 043 520

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

RE : SEE CAVEAT  
 CAVEATOR - DOUGLASDALE ESTATES INC.  
 C/O ROGERS & CO  
 400,1010-8 AVE SW  
 CALGARY  
 ALBERTA T2P1J2  
 AGENT - B SHAUN PARTRIDGE

991 099 581 15/04/1999 CAVEAT  
 RE : EASEMENT

011 043 045 14/02/2001 UTILITY RIGHT OF WAY  
 GRANTEE - THE CITY OF CALGARY.  
 AS TO PORTION OR PLAN:0110505

071 033 203 22/01/2007 UTILITY RIGHT OF WAY  
 GRANTEE - ENMAX POWER CORPORATION.  
 AS TO PORTION OR PLAN:0710346

071 102 705 02/03/2007 UTILITY RIGHT OF WAY  
 GRANTEE - ATCO GAS AND PIPELINES LTD.

071 244 394 18/05/2007 UTILITY RIGHT OF WAY  
 GRANTEE - THE CITY OF CALGARY.  
 AS TO PORTION OR PLAN:0712652

071 271 156 01/06/2007 RESTRICTIVE COVENANT

081 464 629 17/12/2008 PARTY WALL AGREEMENT  
 SEE INSTRUMENT

181 043 521 23/02/2018 MORTGAGE  
 MORTGAGEE - ROYAL BANK OF CANADA.  
 COLLATERAL SECURITY TEAM, TOR-BUSINESS SERVICE  
 CENTRE  
 36 YORK MILLS RD 4TH FLR  
 TORONTO  
 ONTARIO M2P0A4  
 ORIGINAL PRINCIPAL AMOUNT: \$355,000

\* ADDITIONAL REGISTRATIONS MAY BE SHOWN ON THE CONDOMINIUM ADDITIONAL  
 PLAN SHEET

TOTAL INSTRUMENTS: 012

( CONTINUED )



THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 22 DAY OF AUGUST,  
2022 AT 02:46 P.M.

ORDER NUMBER: 45235902

CUSTOMER FILE NUMBER: 125665-9250



\*END OF CERTIFICATE\*

---

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,  
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM  
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,  
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS  
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

THIS IS EXHIBIT "11"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



LAND TITLE CERTIFICATE

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0037 201 340            1611439;88                      181 043 523

LEGAL DESCRIPTION  
CONDOMINIUM PLAN 1611439  
UNIT 88  
AND 68 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 4;29;23;16;SW

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 161 164 259

---

| REGISTRATION | DATE (DMY) | REGISTERED OWNER(S)<br>DOCUMENT TYPE | VALUE     | CONSIDERATION |
|--------------|------------|--------------------------------------|-----------|---------------|
| 181 043 523  | 23/02/2018 | TRANSFER OF LAND                     | \$320,000 | NOMINAL       |

OWNERS

SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION.  
OF 306, 11420-27 ST SE  
CALGARY  
ALBERTA T2Z 3R6

---

ENCUMBRANCES, LIENS & INTERESTS

| REGISTRATION<br>NUMBER | DATE (D/M/Y) | PARTICULARS   |
|------------------------|--------------|---|
| 981 401 728            | 22/12/1998   | UTILITY RIGHT OF WAY<br>GRANTEE - THE CITY OF CALGARY.<br>AS TO PORTION OR PLAN:9813649 |
| 981 401 729            | 22/12/1998   | RESTRICTIVE COVENANT  |
| 981 401 730            | 22/12/1998   | CAVEAT<br>RE : RESTRICTIVE COVENANT   |
| 991 039 532            | 10/02/1999   | CAVEAT  |

( CONTINUED )

-----  
 ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
 # 181 043 523

REGISTRATION

| NUMBER      | DATE (D/M/Y) | PARTICULARS  |
|-------------|--------------|--|
|             |              | RE : SEE CAVEAT<br>CAVEATOR - DOUGLASDALE ESTATES INC.<br>C/O ROGERS & CO<br>400,1010-8 AVE SW<br>CALGARY<br>ALBERTA T2P1J2<br>AGENT - B SHAUN PARTRIDGE   |
| 991 099 581 | 15/04/1999   | CAVEAT<br>RE : EASEMENT  |
| 011 043 045 | 14/02/2001   | UTILITY RIGHT OF WAY<br>GRANTEE - THE CITY OF CALGARY.<br>AS TO PORTION OR PLAN:0110505  |
| 071 033 203 | 22/01/2007   | UTILITY RIGHT OF WAY<br>GRANTEE - ENMAX POWER CORPORATION.<br>AS TO PORTION OR PLAN:0710346  |
| 071 102 705 | 02/03/2007   | UTILITY RIGHT OF WAY<br>GRANTEE - ATCO GAS AND PIPELINES LTD.  |
| 071 244 394 | 18/05/2007   | UTILITY RIGHT OF WAY<br>GRANTEE - THE CITY OF CALGARY.<br>AS TO PORTION OR PLAN:0712652  |
| 071 271 156 | 01/06/2007   | RESTRICTIVE COVENANT   |
| 081 464 629 | 17/12/2008   | PARTY WALL AGREEMENT<br>SEE INSTRUMENT   |
| 181 043 524 | 23/02/2018   | MORTGAGE<br>MORTGAGEE - ROYAL BANK OF CANADA.<br>COLLATERAL SECURITY TEAM, TOR-BUSINESS SERVICE<br>CENTRE<br>36 YORK MILLS RD 4TH FLR<br>TORONTO<br>ONTARIO M2P0A4<br>ORIGINAL PRINCIPAL AMOUNT: \$320,000 |

\* ADDITIONAL REGISTRATIONS MAY BE SHOWN ON THE CONDOMINIUM ADDITIONAL  
 PLAN SHEET

TOTAL INSTRUMENTS: 012

( CONTINUED )

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 22 DAY OF AUGUST,  
2022 AT 02:46 P.M.

ORDER NUMBER: 45235902

CUSTOMER FILE NUMBER: 125665-9250



\*END OF CERTIFICATE\*

---

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
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INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,  
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PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

**THIS IS EXHIBIT "12"**  
**REFERRED TO IN THE AFFIDAVIT OF**  
**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
**DENTONS CANADA LLP**  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460



Royal Bank of Canada  
Guarantee and Postponement of Claim

SRF: 579464900  
Borrower: SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION

335 8TH AVE SW  
5TH FLR  
CALGARY  
ALBERTA  
T2P 1C9  
CA

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,930,000.00** together with interest thereon from the date of demand for payment at a rate equal to the **Bank's Prime Interest Rate plus 5.00 percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

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(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

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be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

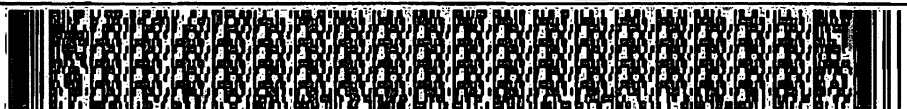
(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ALBERTA ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all P.P.S.A. except Ontario.) (18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

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EXECUTED this March 15 2018  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

[Signature]  
Witness Signature:

[Signature]  
SEAMA SHALCHI-MOGHADDAM

Name: Houman Agahi

[Signature]  
Witness Signature:

[Signature]  
ALIREZA SHALCHI-MOGHADDAM

Name: Houman Agahi

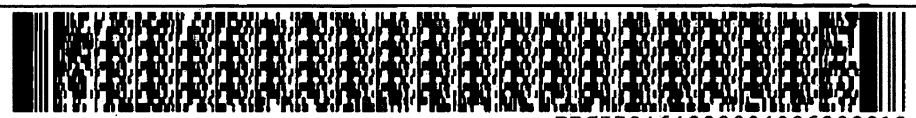
Insert the full name and address of Guarantor (Undersigned above).

**Full name and address**

SEAMA SHALCHI-MOGHADDAM  
20 DISCOVERY RIDGE RISE SW  
CALGARY  
ALBERTA  
T3H4R2  
CA

ALIREZA SHALCHI-MOGHADDAM  
20 DISCOVERY RIDGE RISE SW  
CALGARY  
ALBERTA  
T3H4R2  
CA

Please do not write in this area



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(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

To be completed only when the guarantor is not a corporation)

### THE GUARANTEES ACKNOWLEDGEMENT ACT, (ALBERTA) CERTIFICATE OF BARRISTER AND SOLICITOR

I HEREBY CERTIFY THAT:

(1) SEAMA SHALCHI-MOGHADDAM, the guarantor in the guarantee dated March 5/2018 made between ROYAL BANK OF CANADA and SEAMA SHALCHI-MOGHADDAM and ALIREZA SHALCHI-MOGHADDAM, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.


CERTIFIED by Houman Abahi, Barrister and Solicitor at the City of Calgary, in the Province of Alberta, this 05 day of March, 2018.

  
\_\_\_\_\_  
Signature

(Guarantor to sign in presence of Barrister and Solicitor)

### STATEMENT OF GUARANTOR

I am the person named in the certificate

  
\_\_\_\_\_  
Signature of Guarantor

Please do not write in this area



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(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

To be completed only when the guarantor is not a corporation)

**THE GUARANTEES ACKNOWLEDGEMENT ACT, (ALBERTA)  
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

(1) ALIREZA SHALCHI-MOGHADDAM, the guarantor in the guarantee dated March 5<sup>th</sup> 2018 made between ROYAL BANK OF CANADA and SEAMA SHALCHI-MOGHADDAM and ALIREZA SHALCHI-MOGHADDAM, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by Houman Agahi, Barrister and Solicitor at the City of Calgary, in the Province of Alberta, this 5<sup>th</sup> day of March, 2018.

[Signature]  
Signature

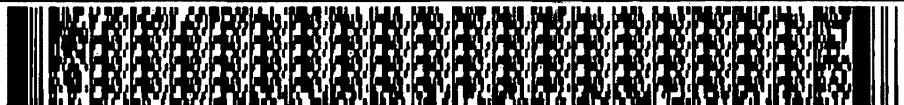
(Guarantor to sign in presence of Barrister and Solicitor)

**STATEMENT OF GUARANTOR**

I am the person named in the certificate

[Signature]  
Signature of Guarantor

Please do not write in this area



RBC579464900006006000812

**THIS IS EXHIBIT "13"**

**REFERRED TO IN THE AFFIDAVIT OF**

**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**

*Barrister & Solicitor*

**DENTONS CANADA LLP**

20th Floor, 250 Howe Street

Vancouver, B.C. V6C 3R8

Telephone (604) 687-4460

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

**Financial Information**

**Year Ended December 31, 2021**

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

**Index to Financial Information**

**Year Ended December 31, 2021**

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|                                 | Page |
|---------------------------------|------|
| COMPILATION ENGAGEMENT REPORT   | 1    |
| FINANCIAL INFORMATION           |      |
| Balance Sheet                   | 2    |
| Statement of Income and Deficit | 3    |
| Notes to Financial Information  | 4    |

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## COMPILATION ENGAGEMENT REPORT

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To the Shareholders of Seama Shalchi-Moghaddam Professional Corporation

On the basis of information provided by management, I have compiled the balance sheet of Seama Shalchi-Moghaddam Professional Corporation as at December 31, 2021, and the statement of income and deficit for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I have not performed an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Calgary, Alberta  
May 9, 2022

Brandi Couture Professional Corporation  
Chartered Professional Accountant



**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

**Balance Sheet  
December 31, 2021**

|   | 2021                | 2020                |
|---|---------------------|---------------------|
| <b>ASSETS</b>                                   |                     |                     |
| <b>CURRENT</b>                                  |                     |                     |
| Cash  | \$ -                | \$ 85,524           |
| Accounts receivable                             | 55,938              | 42,593              |
| Accounts receivable from employees              | 1,800               | -                   |
| Due from shareholders                           | 84,514              | 51,163              |
|   | <b>142,252</b>      | <b>179,280</b>      |
| PROPERTY, PLANT AND EQUIPMENT <i>(Note 2)</i>   | 1,094,157           | 1,143,971           |
| GOODWILL  | 341,015             | 341,015             |
|   | <b>\$ 1,577,424</b> | <b>\$ 1,664,266</b> |
| <b>LIABILITIES AND SHAREHOLDERS' DEFICIENCY</b> |                     |                     |
| <b>CURRENT</b>                                  |                     |                     |
| Bank indebtedness                               | \$ 14,479           | \$ -                |
| Accounts payable                                | 7,798               | 10,957              |
| Current portion of long term debt               | 163,688             | 163,688             |
| Short term debt                                 | 45,000              | -                   |
| Due to shareholders                             | -                   | 1,541               |
|   | <b>230,965</b>      | <b>176,186</b>      |
| LONG TERM DEBT                                  | 1,349,251           | 1,494,611           |
| OBLIGATIONS UNDER CAPITAL LEASE                 | 150,518             | 160,829             |
|   | <b>1,730,734</b>    | <b>1,831,626</b>    |
| <b>SHAREHOLDERS' DEFICIENCY</b>                 |                     |                     |
| Share capital <i>(Note 3)</i>                   | 20                  | 20                  |
| Deficit   | (153,330)           | (167,380)           |
|   | <b>(153,310)</b>    | <b>(167,360)</b>    |
|   | <b>\$ 1,577,424</b> | <b>\$ 1,664,266</b> |

**APPROVED BY SOLE DIRECTOR**

\_\_\_\_\_ Director

See notes to financial information

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

**Statement of Income and Deficit**

**Year Ended December 31, 2021**

|   | 2021                | 2020                |
|---|---------------------|---------------------|
| <b>REVENUES</b>                             | <b>\$ 513,906</b>   | <b>\$ 450,040</b>   |
| <b>COST OF SALES</b>                        |                     |                     |
| Dental supplies                             | 32,459              | 27,466              |
| Lab fees                                    | 22,524              | 52,776              |
|   | <b>54,983</b>       | <b>80,242</b>       |
| <b>GROSS PROFIT (89.30%; 2020 - 82.17%)</b> | <b>458,923</b>      | <b>369,798</b>      |
| <b>EXPENSES</b>                             |                     |                     |
| Salaries and wages                          | 400,940             | 299,591             |
| Amortization                                | 49,815              | 125,613             |
| Interest on long term debt                  | 49,948              | 42,441              |
| Rental                                      | 16,300              | 15,494              |
| Office                                      | 13,765              | 24,880              |
| Property taxes                              | 9,665               | 13,691              |
| Professional fees                           | 8,860               | 7,907               |
| Advertising and promotion                   | 6,182               | 3,310               |
| Memberships                                 | 5,574               | 3,635               |
| Insurance                                   | 5,249               | 4,851               |
| Vehicle                                     | 3,568               | 1,926               |
| Interest and bank charges                   | 3,239               | 6,861               |
| Telephone                                   | 3,133               | 2,964               |
| Meals and entertainment                     | 1,162               | 1,127               |
| Repairs and maintenance                     | 589                 | 2,014               |
| Security                                    | 378                 | 378                 |
| Travel                                      | 53                  | 375                 |
|   | <b>578,420</b>      | <b>557,058</b>      |
| <b>LOSS FROM OPERATIONS</b>                 | <b>(119,497)</b>    | <b>(187,260)</b>    |
| <b>OTHER INCOME</b>                         |                     |                     |
| Expense recoveries (Insurance Rebate)       | -                   | 20,000              |
| Canada Emergency Wage Subsidy               | 82,479              | 72,458              |
| Canada Emergency Business Account           | 10,000              | 10,000              |
| Canada Emergency Rent subsidy               | 21,068              | 3,338               |
| Provincial COVID Grants                     | 20,000              | -                   |
|   | <b>133,547</b>      | <b>105,796</b>      |
| <b>NET INCOME (LOSS)</b>                    | <b>14,050</b>       | <b>(81,464)</b>     |
| <b>DEFICIT - BEGINNING OF YEAR</b>          | <b>(167,380)</b>    | <b>(85,916)</b>     |
| <b>DEFICIT - END OF YEAR</b>                | <b>\$ (153,330)</b> | <b>\$ (167,380)</b> |
| <b>EBITA</b>                                | <b>\$ 113,813</b>   | <b>\$ 86,590</b>    |

See notes to financial information

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

**Notes to Financial Information**

**Year Ended December 31, 2021**

*(Unaudited - See Notice To Reader)*

**1. BASIS OF ACCOUNTING**

The basis of accounting applied in the preparation of the balance sheet of Seama Shalchi-Moghaddam Professional Corporation as at December 31, 2021, and the statement of income and deficit for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- accounts receivable less an allowance for doubtful accounts
- property, plant and equipment amortized on the same basis as for income tax
- accounts payable and accrued liabilities
- goodwill recorded at cost

**2. PROPERTY, PLANT AND EQUIPMENT**

|                               | Cost         | Accumulated<br>amortization | <b>2021<br/>Net book<br/>value</b> | 2018<br>Net book<br>value |
|-------------------------------|--------------|-----------------------------|------------------------------------|---------------------------|
| Buildings                     | \$ 675,000   | \$ 65,362                   | \$ <b>609,638</b>                  | \$ 609,638                |
| Dental equipment & stations   | 413,712      | 224,661                     | <b>189,051</b>                     | 236,313                   |
| Computer equipment & software | 20,744       | 19,966                      | <b>778</b>                         | 1,729                     |
| Furniture and fixtures        | 10,190       | 3,783                       | <b>6,407</b>                       | 8,008                     |
| Leasehold improvements        | 384,378      | 96,095                      | <b>288,283</b>                     | 288,283                   |
|                               | \$ 1,504,024 | \$ 409,867                  | \$ <b>1,094,157</b>                | \$ 1,143,971              |

**3. SHARE CAPITAL**

Authorized:

- Unlimited Class A common voting shares
- Unlimited Class B, C & D common non-voting shares
- Unlimited Class E, F & G Preferred shares

|         |                       | <b>2021</b>  | 2020  |
|---------|-----------------------|--------------|-------|
| Issued: |                       |              |       |
| 100     | Class A common shares | \$ 10        | \$ 10 |
| 100     | Class B common shares | <b>10</b>    | 10    |
|         |                       | \$ <b>20</b> | \$ 20 |

**THIS IS EXHIBIT "14"**  
**REFERRED TO IN THE AFFIDAVIT OF**  
**JOCELYN BERIAULT**

**Sworn before me this 24<sup>th</sup> day of August, 2022**



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
**DENTONS CANADA LLP**  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

District of:  
Division No. -  
Court No. 25-2810869  
Estate No. 25-2810869

\_FORM 49\_  
Notice to Creditors of Consumer Proposal  
(Paragraph 66.14(b) of the Act)  
In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

Take notice that:

1. Alireza Shalchi-Moghaddam, a consumer debtor, made a consumer proposal under section 66.13 of the Act on the 8th day of March 2022 and a copy of it and the prescribed statement of affairs was filed with the official receiver by us, Grant Thornton Limited, the administrator of the consumer proposal, on the 8th day of March 2022.
2. Attached to this notice are the following documents:
  - (a) a copy of the consumer proposal;
  - (b) a copy of our report on the consumer proposal, which was filed with the official receiver on the 8th day of March 2022; and
  - (c) a copy of the statement of affairs referred to in paragraph 66.13(2)(d) of the Act; and
  - (d) a proof of claim.
3. Any creditor who has proved a claim may indicate assent to or dissent from the consumer proposal at or prior to a meeting of creditors, or prior to the expiration of the 45-day period following the filing of the consumer proposal (Note: Form 37.1, *Voting Letter*, may be used by the creditor to indicate assent to or dissent from the consumer proposal and to request that a meeting of creditors be held).
4. Any dissent I receive, however, is not a request for a meeting of creditors for the purpose of paragraph 66.15(2)(b) of the Act, and will not be counted in a vote on the consumer proposal unless I am required to call a meeting of creditors pursuant to section 66.15 of the Act.
5. I will be required to call a meeting of creditors only if, pursuant to section 66.15 of the Act:
  - (a) I am directed to do so by the official receiver within the 45-day period after the filing of the consumer proposal; or
  - (b) at the expiration of the 45-day period after the filing of the consumer proposal, creditors having in the aggregate at least 25 percent of the value of proven claims have so requested.
6. If, within the 45-day period mentioned at paragraph 5, I am not required to call a meeting of creditors, the consumer proposal shall, by virtue of subsection 66.18(1) of the Act, be deemed to have been accepted by the creditors, regardless of any dissent(s) I may have received.
7. In the event that the consumer proposal has been accepted or is deemed to have been accepted by the creditors, I will apply to the court to review the consumer proposal only if, pursuant to section 66.22 of the Act, I am requested to do so by the official receiver or any other interested party within 15 days after the day of acceptance or deemed acceptance of the consumer proposal.
8. If, within that 15-day period mentioned at paragraph 7, I am not requested to apply to the court to review the consumer proposal, the consumer proposal is deemed to be approved by the court.

Dated at the City of Calgary in the Province of Alberta, this 8th day of March 2022.

Grant Thornton Limited - Licensed Insolvency Trustee

Southcentre Executive Tower  
400, 11012 Macleod Trail South  
Calgary AB T2J 6A5  
Phone: (403) 298-5800 Fax: (403) 695-1857

District of

Division No.

Court No.

Estate No.

- FORM 47 -

Consumer Proposal

(Paragraph 66.13(2)(c) of the Act)

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

I, Alireza Shalchi-Moghaddam, a consumer debtor, hereby make the following consumer proposal under the Act:

1. That payment of the claims of secured creditors be made in the following manner:

Secured creditors having secured assets as noted on the Statement of Affairs will be paid in accordance with the terms and provisions of their security agreements.

2. That payment of all claims directed by the Act to be paid in priority to other claims in the distribution of my property be made in the following manner:

If priority claims exist, they shall be paid in accordance to the priorities established under Section 136 of the Bankruptcy and Insolvency Act.

For clarification purposes there are no preferred claims.

3. That payment of the fees and expenses of the Administrator of the consumer proposal and payment of the fees and expenses of any person in respect of counselling given by this person pursuant to the Act be made in the following manner:

The administrator's fees and expenses shall be as prescribed under Rule 129, 131 and 132 of the Bankruptcy and Insolvency Act.

4. That the following payments be made to Grant Thornton Limited, the Administrator of the consumer proposal, for the benefit of the unsecured creditors:

The lesser of:

a) A total of \$72,000 payable in monthly instalments of \$1,200 per month for 60 months. The first payment shall be due by June 30, 2022. All subsequent payments are due at the end of each month and prepayment can be made at any time; OR

b) Any amount necessary to pay each unsecured creditor with a claim provable in these proceedings, the sum of one hundred (100) cents on each dollar of their claim, without interest.

If the debtor complies fully with the terms of the proposal, then upon each creditor receiving the final payment due to them under the proposal, such final payment shall represent and be accepted by them as full and complete discharge of their claim in the proposal against the debtor and such claims shall be settled or extinguished at the time that such final payment is made to them, except debts proven to fall under Section 178(1) of the Bankruptcy and Insolvency Act.

5. That the Administrator of the consumer proposal distribute the monies received to the unsecured creditors in accordance with the following schedule:

Distribution will be made at the expiration of each twelve month period after Court approval or deemed Court approval of the Consumer Proposal. The proposal administrator shall not be required to undertake a distribution to creditors until there is at least \$2,000 available for distribution. Additional distributions may be made when the amount available in the estate is in excess of \$2,000.

6. That the proposal includes the following additional terms:

- a) Attendance is required at two financial counselling sessions, to be conducted in accordance with Section 157.1 of The Bankruptcy and Insolvency Act and Directive 1R6.
- b) The creditors may appoint up to three inspectors in the estate of the consumer debtor. The inspectors may have, in addition to any powers of the inspectors under the Bankruptcy and Insolvency Act, the powers to:
  - receive any notice of default in the performance of the consumer proposal and waive any such default;
  - approve any amendments to the consumer proposal without calling a meeting of creditors, where the amendments would alter the schedule for the amount of payments to be made by the consumer debtor, but would not change the total amount to be paid; and
- c) such other terms as may be proposed.

Dated at the City of Calgary in the Province of Alberta, this 8th day of March 2022.

DocuSigned by:

Braden Burritt

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Witness

DocuSigned by:

Alireza Shalchi-Moghaddam

Alireza Shalchi-Moghaddam A7DF538CF134420...

Consumer Debtor

District of:  
Division No. -  
Court No.  
Estate No.

-- FORM 48 --

Report of Administrator on Consumer Proposal  
(Section 66.14 of the Act)

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

We, Grant Thornton Limited, of Southcentre Executive Tower, 400, 11012 Macleod Trail South, Calgary, AB, T2J 6A5, the administrator of the consumer proposal of Alireza Shalchi-Moghaddam, a consumer debtor, hereby report to the official receiver as follows:

1. That the consumer debtor made a consumer proposal on the 8th day of March 2022 and that we filed a copy of it with the official receiver on the 8th day of March 2022.
2. That we have investigated, or have had investigated, the consumer debtor's property and financial affairs so as to be able to assess with reasonable accuracy the consumer debtor's financial situation and the cause of the consumer debtor's insolvency.
3. That attached to this report is the consumer debtor's statement of affairs and a list of the creditors whose claims exceed \$250.
4. That we are of the opinion that the cause or causes of the consumer debtor's insolvency are as follows:

My health issues starting with cancer in 2000 which effected me financially and also my job. Also I went through a divorce in 2009 which put me again in a very bad situation from a financial point of view and also stresses of life before the divorce caused me heart attack & surgery in 2007. Then life stress caused me another heart attack in 2014 and adding a lot of health issue like BP, cholesterol, triglyceride, and finally diabetes to list of my health issues which followed my 2nd divorce in 2018. With my existing health issues and my age of 63 years old and income that I have, I cannot afford to pay the loans even at a minimum level.

5. That we are also of the opinion, for the following reasons, that the consumer proposal is reasonable and fair to both the consumer debtor and the creditors, and that the consumer debtor will be able to perform it:

The debtor has limited ability to pay creditors in full based on present income and wishes to avoid a second bankruptcy.

In a Bankruptcy, based on projected income, the debtor would be required to make Surplus Income payments of approximately \$1,710 per month for thirty-six months, for a total of \$61,560. This would result in a dividend of approximately 33% to unsecured creditors.

In the Proposal, unsecured creditors as noted on the Statement of Affairs will receive a total dividend of approximately 35% and will be paid over 5 years. Therefore, the administrator recommends creditor acceptance of this proposal.

There are a number of contingent debts listed on the debtor's Statement of Affairs, all of which relate to potential personal guarantees to the debtor's ex-spouse's company. The debtor is no longer involved with the business which is continuing to operate. It is not expected that these creditors will file claims into the consumer proposal and as a result have not been taken into consideration in the estimated percentages above.

District of:  
Division No.  
Court No.  
Estate No.

FORM 48 --- Continued

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

The proposal offers a greater return to the unsecured creditors than a bankruptcy scenario.

Dated at the City of Calgary in the Province of Alberta, this 8th day of March 2022.

Grant Thornton Limited - Licensed Insolvency  
Trustee

DocuSigned by:

*Braden Burnitt*

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Southcentre Executive Tower  
400, 11012 Macleod Trail South  
Calgary AB T2J 6A5  
Phone: (403) 298-5800 Fax: (403) 695-1857



District of:  
 Division No.  
 Court No.  
 Estate No.

FORM 48 --- Continued

In the Matter of the Consumer Proposal of  
 Alireza Shalchi-Moghaddam  
 of the City of Calgary, in the Province of Alberta

| List of Creditors with claims of \$250 or more.   |  |                                     |              |
|---|--|-------------------------------------|--------------|
| Creditor  | Address  | Account#                            | Claim Amount |
| ATB Financial - Asset Management  | ATB Asset Management - Tr 900<br>PO Box 6000, Marlborough CRO<br>Calgary AB T2A 6K2              | 35675140700 - 2013<br>Mercedes Benz | 18,632.00    |
| ATB Financial - Asset Management  | ATB Asset Management - Tr 900<br>PO Box 6000, Marlborough CRO<br>Calgary AB T2A 6K2              | 35674895300                         | 19,880.00    |
| BMO Bank of Montreal<br>(formerly MBanx) c/o<br>BankruptcyHighway.com                       | PO Box 57100<br>Etobicoke ON M8Y 3Y2   | 0646-2995-193                       | 31,907.00    |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2   | 2219-7926-575                       | 9,594.00     |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2   | Mortgage                            | 257,474.00   |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2   | 5524 8900 1899 5050                 | 36,307.00    |
| Canadian Tire MasterCard<br>Proposals c/o FCT Default<br>Solutions<br>Insolvency Department | PO Box 2514, Stn B<br>London ON N6A 4G9  | 5446 1224 3326 5462                 | 13,482.00    |
| CRA - GST/HST - Winnipeg<br>Pacific Insolvency Intake<br>Centre                             | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | 851790212RT0001                     | 600.00       |
| CRA - GST/HST - Winnipeg<br>Pacific Insolvency Intake<br>Centre                             | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | 851790212RT0001                     | 2,622.00     |
| CRA - Tax - Prairies  | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | *****913 2021 PIT<br>estimate       | 40,872.00    |
| CRA - Tax - Prairies  | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | *****913 2020 PIT                   | 595.00       |

District of:  
Division No.  
Court No.  
Estate No.

FORM 48 --- Concluded

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

| <b>List of Creditors with claims of \$250 or more.</b>                            |   |                     |                     |
|---|---|---------------------|---------------------|
| <b>Creditor</b>   | <b>Address</b>                          | <b>Account#</b>     | <b>Claim Amount</b> |
| Lowes - 604590 Bankruptcies<br>c/o FCT Default Solutions<br>Insolvency Department | PO Box 2514, Stn B<br>London ON N6A 4G9 | 6045 9010 0524 2725 | 1,702.00            |
| <b>Total</b>  |   |                     | 433,667.00          |

District of  
Division No.  
Court No.  
Estate No.

-- FORM 79 --

Statement of Affairs (Proposal made by an individual)  
(Subsection 49(2) and 158(d) of the Act / Subsections 50(2) and 62(1) and Paragraph 66.13(2)(d) of the Act)

Original  Amended

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

| ASSETS                        |   |   |                 |    |                          |                                       |
|-------------------------------|---|---|-----------------|----|--------------------------|---------------------------------------|
| Type of assets                | Description (Provide details)   | Estimated Dollar Value  | Exempt Property |    | Secured Amount/<br>Liens | Estimated net realizable dollar value |
|                               |   |   | Yes             | No |                          |                                       |
| 1. Cash on Hand               |   |   |                 |    |                          |                                       |
| 2. Furniture                  | (100%) Household Furnishings (Debtor's estimate)                        | 3,295.00  | x               |    | 0.00                     | 0.00                                  |
| 3. Personal Effects           | (100%) Clothing and Personal Effects (Debtor's estimate)                | 500.00  | x               |    | 0.00                     | 0.00                                  |
| 4. Policies & RRSPs           | (100%) Calfrac Well Services Ltd. RRSP (retaining)(value per statement) | 1,067.00  | x               |    | 0.00                     | 0.00                                  |
|                               | (100%) BMO RRSP (retaining)(value per statement) - 60320763             | 797.00  | x               |    | 0.00                     | 0.00                                  |
| 5. Securities                 |   |   |                 |    |                          |                                       |
| 6. Real Property or Immovable | House   | (100%) 901 Citadel Terrace NW, Calgary, AB (retaining)(value per Realtor Opinion)           | 280,000.00      | x  | 257,474.00               | 0.00                                  |
|                               | Cottage   |   |                 |    |                          |                                       |
|                               | Land  |   |                 |    |                          |                                       |
| 7. Motor Vehicles             | Automobile  | (100%) 2013 Mercedes Benz - E350 (retaining) (value per VMR Canada) - VIN#WDDKJ8JB3DF217846 | 16,625.00       | x  | 16,625.00                | 0.00                                  |
|                               | Motorcycle  |   |                 |    |                          |                                       |
|                               | Snowmobile  |   |                 |    |                          |                                       |
|                               | Other   |   |                 |    |                          |                                       |
| 8. Recreational Equipment     |   |   |                 |    |                          |                                       |
| 9. Taxes                      |   |   |                 |    |                          |                                       |
| <b>TOTAL</b>                  |   | <b>302,284.00</b>   |                 |    | <b>274,099.00</b>        | <b>0.00</b>                           |

08-Mar-2022

Date

DocuSigned by:

Alireza Shalchi-Moghaddam

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Debtor

District of  
Division No.  
Court No.  
Estate No.

FORM 79 -- Continued

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

| LIABILITIES   |   |                                      |                |            |           |           |
|---|---|--------------------------------------|----------------|------------|-----------|-----------|
| Liabilities type code (LTC):  |   |                                      |                |            |           |           |
| 1 Real Property or Immovable Mortgage or Hypothec   |   | 5 Credit Cards Other Issuers         |                |            |           |           |
| 2 Bank Loans (except real property mortgage)  |   | 6 Taxes Federal/Provincial/Municipal |                |            |           |           |
| 3 Finance Company Loans   |   | 7 Student Loans                      |                |            |           |           |
| 4 Credit Cards Bank/Trust Companies Issuers   |   | 8 Loans from Individuals             |                |            |           |           |
|   |   | 9 Other                              |                |            |           |           |
| Creditor  | Address including postal code   | Account No.                          | Amount of debt |            |           | Enter LTC |
|   |   |                                      | Unsecured      | Secured    | Preferred |           |
| Alberta Treasury Board & Finance<br>Attn: Hazel Trombley<br>Contingent \$ = 1.00                  | 9811 - 109 Street<br>Edmonton AB T5K 2L5  | 2013410176                           | 0.00           | 0.00       | 0.00      | 9         |
| ATB Financial - Asset Management  | ATB Asset Management - Tr 900<br>PO Box 6000, Marlborough CRO<br>Calgary AB T2A 6K2                 | 35675140700 - 2013<br>Mercedes Benz  | 0.00           | 18,632.00  | 0.00      | 2         |
| ATB Financial - Asset Management  | ATB Asset Management - Tr 900<br>PO Box 6000, Marlborough CRO<br>Calgary AB T2A 6K2                 | 35674895300                          | 19,880.00      | 0.00       | 0.00      | 2         |
| BMO Bank of Montreal (formerly MBanx) c/o<br>BankruptcyHighway.com<br>Contingent \$ = 1.00        | PO Box 57100<br>Etobicoke ON M8Y 3Y2  | 5112 4200 0086<br>3062 - CEBA Loan   | 0.00           | 0.00       | 0.00      | 2         |
| BMO Bank of Montreal (formerly MBanx) c/o<br>BankruptcyHighway.com                                | PO Box 57100<br>Etobicoke ON M8Y 3Y2  | 0646-2995-193                        | 31,907.00      | 0.00       | 0.00      | 2         |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Attn: Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2  | 5524 8900 1899<br>5050               | 36,307.00      | 0.00       | 0.00      | 4         |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Attn: Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2  | 2219-7926-575                        | 9,594.00       | 0.00       | 0.00      | 4         |
| BMO Mastercard c/o<br>BankruptcyHighway.com<br>Attn: Mike Timko                                   | PO Box 57100<br>Etobicoke ON M8Y 3Y2  | Mortgage                             | 0.00           | 257,474.00 | 0.00      | 1         |
| Business Development Bank of Canada<br>Contingent \$ = 1.00                                       | 1100 - 155 Carlton Street<br>Winnipeg MB R3C 3H8  |                                      | 0.00           | 0.00       | 0.00      | 9         |
| Canadian Tire MasterCard<br>Proposals c/o FCT Default<br>Solutions<br>Attn: Insolvency Department | PO Box 2514, Stn B<br>London ON N6A 4G9   | 5446 1224 3326<br>5462               | 13,482.00      | 0.00       | 0.00      | 5         |
| CRA - GST/HST - Winnipeg<br>Attn: Pacific Insolvency Intake<br>Centre                             | Surrey National Verification and<br>Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | 851790212RT0001                      | 600.00         | 0.00       | 0.00      | 6         |

08-Mar-2022

Date

DocuSigned by:

Alireza Shalchi-Moghaddam

A7DF538CF134420...

Debtor

District of  
 Division No.  
 Court No.  
 Estate No.

FORM 79 -- Continued

In the Matter of the Consumer Proposal of  
 Alireza Shalchi-Moghaddam  
 of the City of Calgary, in the Province of Alberta

| LIABILITIES   |  |                            |                   |                   |             |                   |
|---|--|----------------------------|-------------------|-------------------|-------------|-------------------|
| Creditor  | Address including postal code  | Account No.                | Amount of debt    |                   |             | Enter LTC         |
|   |  |                            | Unsecured         | Secured           | Preferred   |                   |
| CRA - GST/HST - Winnipeg<br>Attn: Pacific Insolvency Intake Centre                    | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | 851790212RT0001            | 2,622.00          | 0.00              | 0.00        | 6                 |
| CRA - Tax - Prairies  | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | *****913 2021 PIT estimate | 40,872.00         | 0.00              | 0.00        | 6                 |
| CRA - Tax - Prairies  | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | *****913 2020 PIT          | 595.00            | 0.00              | 0.00        | 6                 |
| CRA - Tax - Prairies<br>Contingent \$ = 1.00  | Surrey National Verification and Collection Centre<br>9755 King George Blvd<br>Surrey BC V3T 5E1 | 851790212RC0001            | 0.00              | 0.00              | 0.00        | 6                 |
| Lowes - 604590 Bankruptcies c/o FCT Default Solutions<br>Attn: Insolvency Department  | PO Box 2514, Stn B<br>London ON N6A 4G9  | 6045 9010 0524<br>2725     | 1,702.00          | 0.00              | 0.00        | 5                 |
| RBC Royal Bank c/o BankruptcyHighway.com<br>Attn: Razel Bowen<br>Contingent \$ = 1.00 | PO Box 57100<br>Etobicoke ON M8Y 3Y2   | 579464900                  | 0.00              | 0.00              | 0.00        | 9                 |
|   | <b>TOTAL</b>   | <b>Unsecured</b>           | <b>157,561.00</b> |                   |             |                   |
|   | <b>TOTAL</b>   | <b>Secured</b>             |                   | <b>276,106.00</b> |             |                   |
|   | <b>TOTAL</b>   | <b>Preferred</b>           |                   |                   | <b>0.00</b> |                   |
|   |  |                            | <b>TOTAL</b>      |                   |             | <b>433,667.00</b> |

| Pledged Assets                           |      |  |
|--|------|--|
| Creditor                                 | Rank | Asset  |
| ATB Financial - Asset Management         | 1    | Motor Vehicles - Automobile - (100%) 2013 Mercedes Benz - E350 (retaining)<br>(value per VMR Canada) - VIN#WDDKJ8JB3DF217846 |
| BMO Mastercard c/o BankruptcyHighway.com | 1    | Real Property or Immovable - House - (100%) 901 Citadel Terrace NW, Calgary, AB (retaining)(value per Realtor Opinion)       |

08-Mar-2022

Date

DocuSigned by:

*Alireza Shalchi-Moghaddam*

Alireza A7DF538CF134420...  
 Debtor

District of  
Division No.  
Court No.  
Estate No.

## FORM 79 -- Continued

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

| INFORMATION RELATING TO THE AFFAIRS OF THE DEBTOR   |                                      |   |                               |                |
|---|--------------------------------------|---|-------------------------------|----------------|
| <b>A. PERSONAL DATA</b>   |                                      |   |                               |                |
| 1. Family name:<br>Shalchi-Moghaddam  | Given names: Alireza<br>Gender: Male | Date of birth: YYYY / MM / DD<br>1959/04/03 |                               |                |
| 2. Also known as:   |                                      |   |                               |                |
| 3. Complete address, including postal code:<br>901 Citadel Terrace NW<br>Calgary AB T3G 3X3   |                                      |   |                               |                |
| 4. Marital status:<br>(Specify month and year of event if it occurred in the last five years)   |                                      | Divorced<br>October 2019                    |                               |                |
| 5. Full name of spouse or common-law partner:   |                                      |   |                               |                |
| 6. Name of present employer:<br>Calfrac Well Services   |                                      | Occupation:<br>Business Analyst (Full-time) |                               |                |
| 7A. Number of persons in household family unit, including debtor:   |                                      | 1   |                               |                |
| 7B. Number of persons 17 years of age or less:  |                                      | 0   |                               |                |
| 8. Have you operated a business within the last five years?   |                                      | Yes   |                               |                |
| Business Name   |                                      | Business Type                               | From                          | To             |
| Agile Software Solutions Inc.   |                                      | Software Consulting                         | 02-Aug-2007                   | 28-Feb-2022    |
| <b>B. WITHIN THE 12 MONTHS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:</b>                      |                                      |   |                               |                |
| 9A. Sold or disposed of any of your property?   |                                      | No  |                               |                |
| 9B. Made payments in excess of the regular payments to creditors?   |                                      | No  |                               |                |
| 9C. Had any property seized by a creditor?  |                                      | No  |                               |                |
| <b>C. WITHIN FIVE YEARS PRIOR TO THE DATE OF THE INITIAL BANKRUPTCY EVENT, HAVE YOU, EITHER IN CANADA OR ELSEWHERE:</b>                         |                                      |   |                               |                |
| 10A. Sold or disposed of any property?  |                                      | Yes   |                               |                |
| 10B. Made any gifts to relatives or others in excess of \$500?  |                                      | No  |                               |                |
| <b>D. BUDGET INFORMATION: Attach Form 65 to this Form.</b>  |                                      |   |                               |                |
| 11A. Have you ever made a proposal under the Bankruptcy and Insolvency Act?   |                                      | No  |                               |                |
| 11B. Have you ever been bankrupt before in Canada?  |                                      | Yes   |                               |                |
| (a) Filing Date and Location  | (b) Trustee/Admin                    | (c) Proposal Successful?                    | (d) Date Certificate obtained | (e) OSB Number |
| Alireza Shalchi-Moghaddam   | Alger & Associates Inc.              | -   | Jul-24-2007                   | 25-846055      |
| Feb-06-2006   | Calgary, AB                          |   |                               |                |
| 12. Do you expect to receive any sums of money which are not related to your normal income, or any other property within the next 12 months? No |                                      |   |                               |                |
| 13. If you answered Yes to any of questions 9, 10 and 12, provide details:<br><br>10A:  |                                      |   |                               |                |

08-Mar-2022

Date

DocuSigned by:

Alireza Shalchi-Moghaddam

Alireza A7DF538CF134420...

Debtor

District of  
Division No.  
Court No.  
Estate No.

FORM 79 -- Concluded

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

On January 01, 2018, sold property located at 20 Discovery Ridge Rise SW, Calgary, AB, and after paying outstanding mortgage and selling costs, lost money. There were no proceeds received.

14. Give reasons for your financial difficulties:

My health issues starting with cancer in 2000 which effected me financially and also my job. Also I went through a divorce in 2009 which put me again in a very bad situation from a financial point of view and also stresses of life before the divorce caused me heart attack & surgery in 2007. Then life stress caused me another heart attack in 2014 and adding a lot of health issue like BP, cholesterol, triglyceride, and finally diabetes to list of my health issues which followed my 2nd divorce in 2018. With my existing health issues and my age of 63 years old and income that I have, I cannot afford to pay the loans even at a minimum level.

I, Alireza Shalchi-Moghaddam of the City of Calgary in the Province of Alberta, do swear (or solemnly declare) that this statement is, to the best of my knowledge, a full, true and complete statement of my affairs on the 8th day of March 2022, and fully discloses all property and transactions of every description that is or was in my possession or that may devolve on me in accordance with the Bankruptcy and Insolvency Act.

SWORN (or SOLEMNLY DECLARED) remotely by Alireza Shalchi-Moghaddam stated as being located in the City of Calgary in the Province of Alberta before me at the City of Calgary in the Province of Alberta, on this 8th day of March 2022 in accordance with provincial Regulation on Administering Oath or Declaration Remotely.

DocuSigned by:

*Braden Burritt*

Braden Burritt, 94E5FCA2C426488... 1S  
For the Province of Alberta  
Expires December 18, 2023

08-Mar-2022

Date

DocuSigned by:

*Alireza Shalchi-Moghaddam*

A7DF538CF134420...  
Alireza Shalchi-Moghaddam  
Debtor

District of  
 Division No.  
 Court No.  
 Estate No.

- FORM 65 -

Monthly Income and Expense Statement of the Debtor and the Family Unit  
 and Information (or Amended Information) Concerning  
 the Financial Situation of the Individual Debtor  
 (Section 68 and Subsection 102(3) of the Act; Rule 105(4))

Original

Amended

In the Matter of the Consumer Proposal of  
 Alireza Shaichi-Moghaddam  
 of the City of Calgary, in the Province of Alberta

Information concerning the monthly income and expense statement of the debtor and the family unit, the financial situation of the debtor and the debtor's obligation to make payments required under section 68 of the Act to the estate of the debtor are as follows:

| MONTHLY INCOME   | Debtor              | Other Members of<br>the family unit | Total               |
|--|---------------------|-------------------------------------|---------------------|
| Net employment income .....  | 5,668.00            |                                     |                     |
| Net pension/Annuities .....  | 0.00                |                                     |                     |
| Net child support .....  | 0.00                |                                     |                     |
| Net spousal support .....  | 0.00                |                                     |                     |
| Net employment insurance benefits .....  | 0.00                |                                     |                     |
| Net social assistance .....  | 0.00                |                                     |                     |
| Self-employment income   |                     |                                     |                     |
| Gross 0.00 Net .....   | 0.00                |                                     |                     |
| Other net income .....   | 0.00                |                                     |                     |
| <b>TOTAL MONTHLY INCOME</b>  | <b>5,668.00 (1)</b> | <b>0.00 (2)*</b>                    |                     |
| <b>TOTAL MONTHLY INCOME OF THE FAMILY UNIT ((1) + (2))</b> .....                     |                     |                                     | <b>5,668.00 (3)</b> |
| <b>MONTHLY NON- DISCRETIONARY EXPENSES</b>   |                     |                                     |                     |
| Child support payments .....   | 0.00                |                                     |                     |
| Spousal support payments .....   | 0.00                |                                     |                     |
| Child care .....   | 0.00                |                                     |                     |
| Medical condition expenses .....   | 0.00                |                                     |                     |
| Fines/penalties imposed by the Court .....   | 0.00                |                                     |                     |
| Expenses as a condition of employment .....  | 0.00                |                                     |                     |
| Debts where stay has been lifted .....   | 0.00                |                                     |                     |
| Other expenses .....   | 0.00                |                                     |                     |
| <b>TOTAL MONTHLY NON-DISCRETIONARY EXPENSES</b>                                      | <b>0.00 (4)</b>     | <b>0.00 (5)</b>                     |                     |
| <b>TOTAL MONTHLY NON-DISCRETIONARY EXPENSES OF THE FAMILY UNIT ((4) + (5))</b> ..... |                     |                                     | <b>0.00 (6)</b>     |
| <b>AVAILABLE MONTHLY INCOME OF THE DEBTOR ((1) - (4))</b> .....                      | <b>5,668.00 (7)</b> |                                     |                     |
| <b>AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT ((3) - (6))</b> .....                 |                     |                                     | <b>5,668.00 (8)</b> |
| <b>DEBTOR'S PORTION OF THE AVAILABLE MONTHLY INCOME OF THE FAMILY UNIT</b>           |                     |                                     | <b>100.00 % (9)</b> |

DS  
 AS



District of  
 Division No.  
 Court No.  
 Estate No.

- FORM 65 --- Concluded -

In the Matter of the Consumer Proposal of  
 Alireza Shalchi-Moghaddam  
 of the City of Calgary, in the Province of Alberta

MONTHLY DISCRETIONARY EXPENSES: (Family unit)

**Housing expenses**

|                                 |          |
|---------------------------------|----------|
| Rent/mortgage/hypothec. ....    | 1,125.00 |
| Property taxes/condo fees. .... | 188.00   |
| Heating/gas/oil. ....           | 0.00     |
| Telephone. ....                 | 65.00    |
| Cable. ....                     | 80.00    |
| Hydro. ....                     | 300.00   |
| Water. ....                     | 0.00     |
| Furniture. ....                 | 0.00     |
| Other. ....                     | 0.00     |

**Personal expenses**

|                                  |        |
|----------------------------------|--------|
| Smoking. ....                    | 0.00   |
| Alcohol. ....                    | 0.00   |
| Dining/lunches/restaurants. .... | 100.00 |
| Entertainment/sports. ....       | 0.00   |
| Gifts/charitable donations. .... | 30.00  |
| Allowances. ....                 | 0.00   |
| Other. ....                      | 0.00   |

**Non-recoverable medical expenses**

|                     |       |
|---------------------|-------|
| Prescriptions. .... | 30.00 |
| Dental. ....        | 0.00  |
| Other. ....         | 0.00  |

**Living expenses**

|                            |        |
|----------------------------|--------|
| Food/grocery. ....         | 550.00 |
| Laundry/dry cleaning. .... | 0.00   |
| Grooming/toiletries. ....  | 40.00  |
| Clothing. ....             | 50.00  |
| Other. ....                | 0.00   |

**Transportation expenses**

|                              |        |
|------------------------------|--------|
| Car lease/payments. ....     | 628.00 |
| Repair/maintenance/gas. .... | 250.00 |
| Public transportation. ....  | 0.00   |
| Other. ....                  | 0.00   |

**Insurance expenses**

|                            |        |
|----------------------------|--------|
| Vehicle. ....              | 160.00 |
| House. ....                | 0.00   |
| Furniture/contents. ....   | 0.00   |
| Life insurance. ....       | 0.00   |
| Other: Employer RRSP. .... | 417.00 |


**Payments**


|   |          |
|---|----------|
| Payments to the proposal. ....          | 1,200.00 |
| To secured creditor. ....               | 0.00     |
| (Other than mortgage and vehicle). .... | 443.00   |
| Other. ....                             | 0.00     |

|   |               |
|---|---------------|
| TOTAL MONTHLY DISCRETIONARY EXPENSES (FAMILY UNIT) .....    | 5,656.00 (10) |
| MONTHLY SURPLUS OR (DEFICIT) FAMILY UNIT ((8) - (10)) ..... | 12.00 (11)    |

Dated at the City of Calgary in the Province of Alberta, this 8th day of March 2022.

Grant Thornton Limited - Licensed Insolvency Trustee

DocuSigned by:  
  
 94E5FCA2C426488...  
 Southcentre Executive Tower  
 400, 11012 Macleod Trail South  
 Calgary AB T2J 6A5  
 Phone: (403) 298-5800 Fax: (403) 695-1857

DocuSigned by:  
  
 A7DF538CF134420...  
 Alireza Shalchi

District of:  
Division No. -  
Court No. 25-2810869  
Estate No. 25-2810869

FORM 31 / 36  
Proof of Claim / Proxy  
In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

All notices or correspondence regarding this claim must be forwarded to the following address:

\_\_\_\_\_  
\_\_\_\_\_

In the matter of the proposal of Alireza Shalchi-Moghaddam of the City of Calgary in the Province of Alberta and the claim of \_\_\_\_\_, creditor.

I, \_\_\_\_\_, of the city of \_\_\_\_\_, a creditor in the above matter, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, to be my proxyholder in the above matter, except as to the receipt of dividends, \_\_\_\_\_ (with or without) power to appoint another proxyholder in his or her place.

I, \_\_\_\_\_ (name of creditor or representative of the creditor), of the city of \_\_\_\_\_ in the province of \_\_\_\_\_ do hereby certify:

1. That I am a creditor of the above named debtor (or I am \_\_\_\_\_ (position/title) of \_\_\_\_\_, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 8th day of March 2022, and still is, indebted to the creditor in the sum of \$ \_\_\_\_\_, as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ \_\_\_\_\_

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description.)

Regarding the amount of \$ \_\_\_\_\_, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ \_\_\_\_\_, I do not claim a right to a priority.

(Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ \_\_\_\_\_

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ \_\_\_\_\_

That in respect of this debt, I hold assets of the debtor valued at \$ \_\_\_\_\_ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ \_\_\_\_\_

(Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ \_\_\_\_\_.

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ \_\_\_\_\_.

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ \_\_\_\_\_.

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ \_\_\_\_\_.

G. CLAIM AGAINST DIRECTOR \$ \_\_\_\_\_

*(To be completed when a proposal provides for the compromise of claims against directors.)*

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ \_\_\_\_\_

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I \_\_\_\_\_ (am/am not) (or the above-named creditor \_\_\_\_\_ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and \_\_\_\_\_ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. *(Applicable only in the case of the bankruptcy of an individual.)*

Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_  
Name and Title of Signing Officer

Return To:

Phone Number: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Grant Thornton Limited - Licensed Insolvency Trustee

Surrey Processing Centre  
115 - 5455 - 152 Street  
Surrey BC V3S 5A5  
Fax: (506) 634-8233  
E-mail: [ciclaims@ca.gt.com](mailto:ciclaims@ca.gt.com)

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of:  
Division No. -  
Court No. 25-2810869  
Estate No. 25-2810869

Proxy / Voting letter

In the Matter of the Consumer Proposal of  
Alireza Shalchi-Moghaddam  
of the City of Calgary, in the Province of Alberta

I, \_\_\_\_\_, of \_\_\_\_\_, a creditor in the above matter, hereby appoint \_\_\_\_\_, of \_\_\_\_\_, to be my proxyholder in the above matter, except as to the receipt of dividends, \_\_\_\_\_ (with or without) power to appoint another proxyholder in his or her place.

I, \_\_\_\_\_, creditor (or I, \_\_\_\_\_, representative of \_\_\_\_\_, creditor), of \_\_\_\_\_, a creditor in the above matter for the sum of \$ \_\_\_\_\_, hereby certify that:

(a) as a creditor who has proven claim, I may indicate assent to or dissent from the consumer proposal at or prior to a meeting of creditors, or prior to the expiration of the 45-day period following the filing of the consumer proposal;

(b) a vote AGAINST the consumer proposal is not a deemed request for a meeting of creditors for the purpose of paragraph 66.15(2)(b) of the Act, and will not be counted in a vote on the consumer proposal unless a meeting of creditors is called;

(c) the administrator of the consumer proposal will be required to call a meeting of creditors only if, pursuant to section 66.15 of the Act:

- he/she is directed to do so by the official receiver within the 45-day period after the filing of the consumer proposal; or
- at the expiration of the 45-day period after the filing of the consumer proposal, creditors having in the aggregate at least 25 percent of the value of proven claims have so requested.

(d) if no meeting of creditors is called, the consumer proposal shall, by virtue of subsection 66.18(1) of the Act, be deemed to have been accepted by the creditors, regardless of any dissent(s) the administrator of the consumer proposal may have received.

I hereby request: *(Check and complete the appropriate section)*

- the administrator acting with respect to the consumer proposal to record my vote **FOR** the acceptance of the consumer proposal as made on the 8th day of March 2022.
- the administrator acting with respect to the consumer proposal to record my vote **AGAINST** the acceptance of the consumer proposal as made on the 8th day of March 2022;
- the administrator acting with respect to the consumer proposal to record my vote **AGAINST** the acceptance of the consumer proposal as made on the 8th day of March 2022 and **REQUEST THAT A MEETING OF CREDITORS BE CONVENED.**

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

Witness

\_\_\_\_\_  
Name of Creditor or Representative of Creditor

Return To: Grant Thornton Limited - Licensed Insolvency Trustee

Surrey Processing Centre  
115 - 5455 - 152 Street  
Surrey BC V3S 5A5  
Fax: (506) 634-8233  
E-mail: ciclaims@ca.gt.com

THIS IS EXHIBIT "15"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA

EMMA T.T.Y. NEWBERY  
*Barrister & Solicitor*  
DENTONS CANADA LLP  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

July 28, 2022

Our File: 125665

**DELIVERED VIA REGISTERED MAIL AND EMAIL [SEAMA.SHALCHI@YAHOO.COM]**

Seama Shalchi-Moghaddam Professional  
Corporation  
101-6420 6A St SE  
Calgary, Alberta, T2H 2B7

Seama Shalchi-Moghaddam Professional  
Corporation  
Apt 211, 370 Quarry Way SE  
Calgary, Alberta, T2C 5S1

Dear Dr. Seama Shalchi-Moghaddam:

**RE: Obligations of Seama Shalchi-Moghaddam Professional Corporation (the "Debtor") to Royal Bank of Canada (the "Lender")**

We are counsel to the Lender in connection with the credit facilities currently outstanding between the Debtor and the Lender (the "Facilities").

Reference is made to the facility documentation set out in Schedule "A" to this letter (hereafter, the "Facility Documents").

Advances have been made to the Debtor by the Lender under the Facilities. As at July 27, 2022, the indebtedness owing by the Debtor under the Facilities equals **\$1,571,744.87**, plus accruing interest, plus all fees and costs of the Lender, including legal costs on a solicitor and its own client full indemnity basis (collectively, the "Indebtedness"). The Indebtedness is broken down as follows:

| Loan         | Principal                    | Interest                  | Total                        | Per Diem               |
|--------------|------------------------------|---------------------------|------------------------------|------------------------|
| RCL          | \$50,000.00                  | \$6.09                    | \$50,006.09                  | \$6.10                 |
| Visa         | \$3,336.00                   |                           | \$3,336.00                   |                        |
| Lease        | \$162,651.24                 |                           | \$162,651.24                 |                        |
| TL 021       | \$286,666.40                 | \$3,587.65                | \$290,254.05                 | \$34.95                |
| TL 022       | \$313,078.00                 | \$3,918.19                | \$316,996.19                 | \$38.17                |
| TL 024       | \$741,631.56                 | \$6,869.74                | \$748,501.30                 | \$95.50                |
| <b>TOTAL</b> | <b><u>\$1,557,363.20</u></b> | <b><u>\$14,381.67</u></b> | <b><u>\$1,571,744.87</u></b> | <b><u>\$174.72</u></b> |

The Debtor is in default of the Facility Documents, for among other reasons:

- a) failing to pay any principal, interest or other amount when due; and
- b) the filing of a consumer proposal by the guarantor, Alireza Salchi-Moghaddam.

The Indebtedness is payable on demand or on demand after default. **Demand is hereby made on the Debtor for repayment of the full amount of the Indebtedness.** The Indebtedness will continue to accrue interest at the rates agreed and to accrue costs and fees, all of which the Debtor is responsible for, until payment of all amounts owing is received. Payment may be made by providing either a certified cheque or bank draft to the following address:

Royal Bank of Canada  
c/o Dentons Canada LLP, in Trust  
1500-850 2 Street SW  
Calgary, AB T2P 0R8  
Attention: Sam Gabor

**Full payment of the Indebtedness must be made by close of business on August 8, 2022.** The Debtor must contact the writer at the time of payment, to confirm the full amount of the Indebtedness as of that date. If full payment is not received, the Lender will take whatever steps it deems appropriate to seek repayment of such amounts.

Enclosed with this letter is a Notice of Intention to Enforce Security, in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the 10-day notice period thereunder and consent to earlier enforcement of the Lender's security by the Lender, please endorse the notice where indicated and return it to the writer.

The Lender reserves its rights to proceed against the Debtor: (a) prior to the time stipulated above in the event that it determines that its position is further jeopardized; and (b) any time, or from time to time, after any dates stipulated above have passed, and in any case without the necessity of serving a new demand for payment.

Yours truly,

**Dentons Canada LLP**



Sam Gabor  
SG/pt  
Enclosures



**SCHEDULE "A"**  
**FACILITY DOCUMENTS**

The Lender intends to rely upon all of its agreements and security provided by the Debtor and related parties including, but not limited to, the following:

- Royal Bank of Canada Credit Agreement dated January 6, 2022;
- RBC Royal Bank Visa Business Card Agreement dated February 7, 2018;
- Royal Bank of Canada Master Lease Agreement dated March 9, 2018
- Leasing Schedule dated September 10, 2018;
- Term Loan Credit Renewal Letter dated January 24, 2022;
- Term Loan Credit Renewal Letter dated January 24, 2022;
- General Security Agreement dated February 7, 2018;
- Collateral Mortgage dated February 7, 2018;
- Collateral Mortgage dated February 7, 2018;
- Assignment of Life Insurance Policy dated February 7, 2018; and
- Guarantee provided by Seama Shalchi-Moghaddam and Alireza Shalchi-Moghaddam dated March 5, 2018;

all as have been or may be amended from time to time.

The Lender further relies upon all guarantees and additional collateral security as may have been provided in support of the Indebtedness, all forbearance agreements, forbearance amending and extension agreements, and restated forbearance agreements, all as may have been entered into from time to time.



FORM 86

Notice of Intention to Enforce a Security  
(Rule 124)

To: Seama Shalchi-Moghaddam Professional Corporation, an insolvent person,

Take notice that:

1. Royal Bank of Canada (the "**Secured Party**"), a secured creditor, intends to enforce its security on the insolvent person's property described below:

- (a) All present and after-acquired personal property;
- (b) Life insurance policy;
- (c) The lands legally described as:

CONDOMINIUM PLAN 1411261  
UNIT 52  
AND 81 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON  
PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and

CONDOMINIUM PLAN 1611439  
UNIT 88  
AND 68 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

(the "**Lands**")

- (d) All proceeds of the foregoing collateral.
2. The security that is to be enforced is the following:
    - (a) General Security Agreement dated February 7, 2018;
    - (b) Collateral Mortgage dated February 7, 2018;
    - (c) Collateral Mortgage dated February 7, 2018; and
    - (d) Assignment of Life Insurance Policy dated February 7, 2018;(collectively, the "**Security**").
  3. The total amount of indebtedness secured by the Security as of July 27, 2022 is \$1,571,744.87, plus all further accruing interest and all costs, including legal costs on a solicitor and its own client, full indemnity basis.

4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10 day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 28<sup>th</sup> day of July, 2022.



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Dentons Canada LLP, Solicitors for  
Royal Bank of Canada  
Per: Sam Gabor

**CONSENT AND WAIVER**

**WE THE UNDERSIGNED** hereby:

1. Acknowledge receipt of the Notice herein;
2. Waive the 10 days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and
3. Consent to the immediate enforcement by the Secured Party of the Security referred to herein.

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**SEAMA SHALCHI-MOGHADDAM PROFESSIONAL CORPORATION**

Per: \_\_\_\_\_  
Name:  
Position:

THIS IS EXHIBIT "16"

REFERRED TO IN THE AFFIDAVIT OF

JOCELYN BERIAULT

Sworn before me this 24<sup>th</sup> day of August, 2022



**BARRISTER AND SOLICITOR / NOTARY PUBLIC IN AND  
FOR THE PROVINCE OF BRITISH COLUMBIA**

**EMMA T.T.Y. NEWBERY**  
*Barrister & Solicitor*  
**DENTONS CANADA LLP**  
20th Floor, 250 Howe Street  
Vancouver, B.C. V6C 3R8  
Telephone (604) 687-4460

## Trojanoski, Terry

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**From:** Pontin, Derek <derek.pontin@dentons.com>  
**Sent:** Wednesday, August 17, 2022 9:16 AM  
**To:** Terry Czechowskyj  
**Subject:** RE: RBC

Hi Terry,

The Bank continues to have great concern with the banking being shifted away from RBC and now the borrower not disclosing the state and destination of receivables. If we are going to have a meaningful conversation as to forbearance, the borrower is going to need to be forthcoming and cooperative. I am advised that, for the moment, the credit cards continue to be left available for the borrower's use, but that will be withdrawn if we don't soon have a response on the A/R.

Thank you  
Derek

 **Derek Pontin**  
Partner

My pronouns are: He/Him/His

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**From:** Terry Czechowskyj <tczech@milesdavison.com>  
**Sent:** Tuesday, August 16, 2022 12:33 PM  
**To:** Pontin, Derek <derek.pontin@dentons.com>  
**Subject:** RE: RBC

**[WARNING: EXTERNAL SENDER]**

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I am advised the dental practice continues to operate. I have forwarded your request to the clients for their review.

TERRY CZECHOWSKYJ Q.C.

Barrister and Solicitor

**MILES  
DAVISON LLP**

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**NOTICE: Covid-19: Update on business continuity during Covid-19 outbreak**

Miles Davison LLP is cognizant of and is closely monitoring the Covid-19 outbreak as circumstances evolve rapidly. We can assure you that our lawyers and staff are dedicated to continuing our work for clients. We have taken the proper steps as mandated by Alberta Health Services and other governmental bodies to protect the health of our staff, clients and the community at large.

While we have made accommodations to allow some of our lawyers and staff to work remotely, our designation as an essential service means our offices will remain open for the foreseeable future. In the event we were faced with the requirement for a full or partial office closure, we have plans and protocols in place to allow all staff and lawyers to work remotely in order to provide continuous client service.

Miles Davison is committed to working closely with you to successfully navigate any problems which may arise during these challenging times.

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**From:** Pontin, Derek <[derek.pontin@dentons.com](mailto:derek.pontin@dentons.com)>  
**Sent:** Tuesday, August 16, 2022 9:26 AM  
**To:** Terry Czechowskyj <[tczech@milesdavison.com](mailto:tczech@milesdavison.com)>  
**Subject:** RE: RBC

Hi Terry,

I will review the below with RBC and concurrently seek instruction as to sending you a draft forbearance.

As earlier noted, it is paramount for RBC to understand where receivables are being deposited – can you advise? We have no confirmation the business is even continuing to operate. We will need to see deposit and expense statements for August, and also have confirmation what amounts the shareholders have drawn from the company recently, including for payroll (by way of payroll register) and dividend, loan to shareholder, or otherwise.

You can appreciate a lack of transparency will make it extremely difficult for us to resolve an amicable resolution to this.

Thank you  
Derek



 Derek Pontin  
Partner

My pronouns are: He/Him/His

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**From:** Terry Czechowskyj <[tczech@milesdavison.com](mailto:tczech@milesdavison.com)>  
**Sent:** Tuesday, August 16, 2022 8:31 AM  
**To:** Pontin, Derek <[derek.pontin@dentons.com](mailto:derek.pontin@dentons.com)>  
**Subject:** RBC

**[WARNING: EXTERNAL SENDER]**

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I have a list of monthly expenses which runs to about \$50,00 per month. Salaries being the largest component. About 20,000 between the Ali at 6 and 14 for Seama. Can you send me a draft forbearance agreement.

TERRY CZECHOWSKYJ Q.C.  
Barrister and Solicitor

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