

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

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

B E T W E E N:

ICICI Bank Canada

Applicant

- and -

2338486 Ontario Limited

Respondent

AFFIDAVIT OF LIONEL MEUNIER
(affirmed April 14, 2025)

I, **LIONEL MEUNIER**, of the City of Toronto, in the Province of Ontario, **AFFIRM**
AND SAY AS FOLLOWS:

1. I am the Assistant Vice President of the Corporate Banking Group for ICICI Bank Canada (the “**Bank**”) and, as such, I have knowledge of the matters to which I depose herein. Where I have relied on other sources for information, I have stated the source of my information and I believe such information to be true.
2. This affidavit is affirmed in support of an application by the Bank for an order (the “**Receivership Order**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Albert Gelman Inc. (“**AGI**”) as

the receiver (in such capacity, the “**Receiver**”), without security, of all of the property, assets, and undertakings of 2338486 Ontario Limited (the “**Debtor**”), including but not limited to the real property municipally described as 392 Erb Street West, Waterloo, Ontario and 398 Erb Street West, Waterloo, Ontario (together, the “**Erb Properties**”) (collectively, the “**Property**”).

3. All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

I. OVERVIEW

4. The Bank agreed to provide a secured term loan to the Debtor in the principal amount of \$2.8 million (the “**Term Loan**”) pursuant to a Commitment Letter dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024 (together, the “**Commitment Letter**”). As of April 1, 2025, the total amount due and owing by the Debtor to the Bank is \$2,999,758.26 plus interest, legal and other fees and expenses, which continue to accrue (collectively, the “**Indebtedness**”). Interest accrues on the Indebtedness at a rate of \$473.35 per diem.
5. The Term Loan is secured by, among other things, a first-ranking mortgage registered on title to the Erb Properties and a general security agreement in favour of the Bank granted by the Debtor. In addition, Kamal Patel (“**Mr. Patel**” or the “**Guarantor**”), the sole director and officer of the Debtor, has personally guaranteed the Indebtedness pursuant to an unlimited personal guarantee dated June 29, 2023 (the “**Guarantee**”).
6. The Debtor has committed multiple defaults under the Commitment Letter, including the failure to: (a) make principal and interest payments when due, (b) submit a repayment plan

to the Bank, (c) provide a signed copy of the forbearance agreement and make the requisite forbearance fee installments, (d) pay property taxes on the Erb Properties, (e) maintain property insurance for the Erb Properties, and (f) comply with the Debtor's reporting requirements to the Bank.

7. The Debtor initially defaulted on its obligations to the Bank on September 1, 2024, when the Debtor failed to make the monthly principal and interest payment. The Debtor also defaulted on the October 2024 principal and interest payment.
8. Although the September and October payment defaults were subsequently cured, the Bank has not received any payments from the Debtor since November 1, 2024, and the Debtor has missed six consecutive months of principal and interest payments.
9. The Bank has delivered two default letters since the first payment default and gave the Debtor additional time to remedy the defaults and/or refinance the Term Loan. Despite the Bank's accommodation, the Debtor remains in default and has not provided the Bank with an action plan to remedy the defaults.
10. On March 20, 2025, the Bank delivered demand letters (the "**Demands**") to the Debtor and the Guarantor and a Notice of Intention to Enforce Security to the Debtor pursuant to section 244 of the BIA to the Debtor (the "**NITES**"). The applicable notice periods have expired, and all amounts owing to the Bank have been accelerated and are immediately due and payable.
11. The Debtor has not made any meaningful progress in the development of the Erb Properties, and it appears that the Debtor does not have the financial resources to develop,

insure, or maintain the Erb Properties. Further, the Debtor's principal has stopped communicating with the Bank. The Bank has lost all confidence in the Debtor, including as it relates to the Debtor's willingness or ability to preserve the value of the Bank's underlying collateral and facilitate a sale of the Erb Properties or otherwise monetize the Erb Properties to repay the Indebtedness. As such, the Bank has no alternative other than to exercise its contractual right to appoint a receiver in order to create stability, preserve value, and facilitate an efficient, transparent, and value-maximizing sale of the Erb Properties.

II. THE DEBTOR AND GUARANTOR

12. The Debtor was incorporated under the Ontario *Business Corporations Act* on August 10, 2012, and maintains its registered head office at 1333 Weber Street E, Kitchener, Ontario, N2A 1C3. A copy of the Debtor's corporate profile report (the "**CPR**") is attached hereto as **Exhibit "A"**.
13. The CPR indicates that the sole director and officer of the Debtor is Mr. Patel. As previously noted, Mr. Patel has provided the Bank with the Guarantee, pursuant to which he personally guaranteed all obligations owing to the Bank under the Commitment Letter. A copy of the Guarantee is attached hereto as **Exhibit "B"**.

III. THE ERB PROPERTIES

14. The Bank understands that the Debtor's primary business activity is the development of the Erb Properties.
15. The Debtor is the registered owner of the Erb Properties, comprised of 392 Erb Street and 398 Erb Street in Waterloo, Ontario. A copy of the parcel searches in respect of the Erb Properties is attached hereto as **Exhibit "C"** (the "**Parcel Searches**").

16. The Erb Properties jointly comprise approximately 0.561 acres (24,466 square feet). The Erb Properties consist of one single-family detached home and one low-rise residential building. The Erb Properties have a total of six tenants.
17. I advised the Debtor and CORFinancial Corp. (“**CORFinancial**”), financial advisor to the Debtor, that, in the event of a default, the general assignment of rents and leases dated June 29, 2023, between the Bank and the Debtor (the “**GAR**”) requires the Debtor to deposit all rent payments directly with the Bank. CORFinancial indicated that it would collect the monthly rent cheques on the Debtor’s behalf and remit them to the Bank. Notwithstanding this assurance, the Bank has not received any rent payments to date.
18. The Erb Properties are currently zoned as Residential Mixed-Use, which supports certain residential and commercial uses. In accordance with the City of Waterloo’s Official Plan, the Erb Properties are designated as Mixed-Use Medium Density, which permits multi-unit residential developments, mid-rise apartments and other related uses.
19. The Debtor intended to develop the Erb Properties into a six-story residential apartment building with approximately 74,981 square feet of total gross floor area and 73 residential dwelling units.
20. To facilitate the development, the Debtor intended to obtain site plan approval from the City of Waterloo (the “**Draft Plan**”), which is a critical step towards the development and monetization of the Erb Properties by the Debtor. As of today’s date, I am not aware of the City of Waterloo providing the Debtor with a Draft Plan nor of any progress toward obtaining one, despite having requested status updates from the Debtor.

21. Given the significant passage of time and that the Debtor has appeared to run out of funds, the Bank is not confident that the Debtor will be able to obtain a Draft Plan and will not be able to develop and monetize the Erb Properties.
22. The Bank is in possession of an appraisal of the Erb Properties commissioned by the Debtor dated November 14, 2022, the “**Appraisal**”). The valuation of the Appraisal is based on the proposed development of the Erb Properties rather than its current use. A copy of the Appraisal is attached hereto as **Confidential Exhibit “1”**.
23. The Commitment Letter requires the Debtor to maintain appropriate insurance coverage in respect of the Erb Properties. The Debtor’s home insurance policy for 392 Erb Street expired on January 28, 2025 (the “**Home Policy**”). The Debtor has not provided the Bank with any information on whether this has been renewed or as to the status of the renewal process. A copy of the Home Policy is attached hereto as **Exhibit “D”**.
24. The Debtor maintains a commercial insurance policy that expires on July 27, 2025 (the “**Commercial Policy**”) with a \$2,000,000 aggregate limit. I have requested confirmation from the Debtor as to whether there are any arrears under the Commercial Policy and have asked for proof that it is being maintained. As of today’s date, no such evidence has been provided. A copy of the Commercial Policy is attached hereto as **Exhibit “E”**.
25. The Bank is named as a loss payee under the Commercial Policy. In light of the Commercial Policy payment arrears, it is unclear if the insurer would honour the Commercial Policy should an insurable event occur. As such, the Bank is concerned about the prospect of collateral deterioration and recovery of the Indebtedness.

IV. LOAN DOCUMENTS AND INDEBTEDNESS

26. Pursuant to the Commitment Letter, the Bank provided the principal amount of \$2.8 million to the Debtor for the purpose of re-financing the Debtor's existing debt. Copies of the Commitment Letter and the August Amendment Agreement are attached hereto as **Exhibits "F" and "G"**, respectively.
27. The Debtor granted the Bank with the following security to secure the obligations under the Commitment Letter:
- (a) a first-ranking charge/mortgage on the Erb Properties in the principal amount of \$2.8 million, registered on August 4, 2023, in the Land Registry Office for the Land Titles Division of Waterloo (LRO #58) as Instrument No. WR1517871 (the **"Mortgage"**). A copy of the Mortgage is attached hereto as **Exhibit "H"**;
 - (b) a general security agreement dated June 29, 2023 (the **"GSA"**) that granted a security interest in all present and after-acquired personal property of the Debtor, excluding consumer goods. A copy of the GSA is attached hereto as **Exhibit "I"**; and
 - (c) a GAR dated June 29, 2023, registered on title to the Erb Properties as Instrument No. WR1517872. A copy of the GAR is attached hereto as **Exhibit "J"**.
28. The Bank registered its personal property security interest against the Debtor pursuant to the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the **"PPSA"**) on June 29, 2023. A copy of the certified PPSA search against the Debtor dated April 1, 2025, is attached hereto as **Exhibit "K"**.
29. In addition, CORFinancial registered a security interest against the Debtor on January 28, 2025, in the amount of \$50,000. The Bank is unaware of further details with respect to the

registration by CORFinancial. However, the granting of any security interest to CORFinancial constitutes a further default under the Commitment Letter, which expressly prohibits the Debtor from granting any security without the Bank's consent.

V. DEFAULTS AND FORBEARANCE AGREEMENT

30. The Debtor initially defaulted under the Commitment Letter by failing to make the monthly principal and interest payments required in September and October 2024.
31. Due to these payment defaults, the Bank delivered a default letter to the Debtor on November 5, 2024, that provided written notice to the Debtor of its defaults under the Commitment Letter (the "**First Default Letter**"). A copy of the First Default Letter is attached hereto as **Exhibit "L"**.
32. Following receipt of the First Default Letter, the Debtor requested accommodation from the Bank to provide additional time to remedy the defaults or otherwise refinance the Indebtedness. Following such request, the Bank and the Debtor entered into discussions that ultimately resulted in a forbearance agreement being drafted by the Bank's counsel, and the Bank delivered the forbearance agreement to the Borrower on November 25, 2024 (the "**Forbearance Agreement**").
33. The following is a summary of the key terms of the Forbearance Agreement:
 - (a) subject to the conditions precedent in the Forbearance Agreement, the Bank agreed to forbear from enforcing its rights against the Debtor until April 1, 2025;
 - (b) a forbearance fee in the amount of \$50,000, payable in five monthly instalments;
 - (c) payment of all outstanding amounts owing to the Bank by December 2, 2024;

- (d) delivery of a comprehensive repayment plan acceptable to the Bank by December 9, 2024;
- (e) repayment of all obligations outstanding to the Bank by April 1, 2025; and
- (f) consent to the appointment of a receiver in the event of a Forbearance Termination Event (as defined in the Forbearance Agreement).

34. The Forbearance Termination Events include *inter alia*:

- (a) any new or further default under the Forbearance Agreement, the Commitment Letter, or Mortgage;
- (b) failure to meet conditions or covenants by the required deadlines, such as submitting a repayment plan;
- (c) another creditor takes action against the Debtor's Property;
- (d) failure to pay any prior claims when due (e.g., realty taxes);
- (e) the Debtor takes any action requiring Bank consent without getting that consent; and
- (f) failure to provide required reporting or other information to the Bank.

35. Despite having ample time to review the Forbearance Agreement and seek independent legal advice, and repeated requests from the Bank, the Debtor failed to sign the Forbearance Agreement. A copy of the Forbearance Agreement is attached hereto as **Exhibit "M"**.

36. After the Bank provided the Debtor with the Forbearance Agreement, the Debtor provided the Bank with the September and October payments. Based on these payments and my verbal discussions with the principal of the Debtor, I understood that the Debtor agreed to the terms of the Forbearance Agreement. However, the Debtor subsequently failed to make any further monthly payments, did not provide the Bank with any of the forbearance fee instalments, and did not submit a repayment plan to the Bank.
37. Accordingly, the Debtor defaulted under the terms of the Forbearance Agreement. On January 14, 2025, the Bank delivered a second default letter (the “**Second Default Letter**”) to the Debtor. In the Second Default Letter, the Bank provided written notice of the following defaults under the Commitment Letter and the Forbearance Agreement:
- (a) the failure to pay the monthly payments due in November, December, and January;
 - (b) the failure to submit a repayment plan;
 - (c) the failure to pay any instalments of the forbearance fee;
 - (d) the failure to pay property taxes owing in respect of the Erb Properties; and
 - (e) the failure to maintain adequate property insurance in connection with the Erb Properties.

A copy of the Second Default Letter is attached hereto as **Exhibit “N”**.

38. The Second Default Letter requested the Debtor acknowledge the defaults described in the Second Letter, which included defaults under the Forbearance Agreement. On January 14, 2025, the Debtor provided a signed acknowledgment of the Second Default Letter. This

demonstrates that the Debtor understood and agreed to the terms of the Forbearance Agreement.

39. On November 13, 2024, Mr. Patel informed me that several professionals involved in fulfilling the site plan approval requirements for the City of Waterloo had not been paid due to a critical cash shortage. I have since been advised by Mitch Grossell at Thornton Grout Finnigan LLP (“**TGF**”) that a construction lien in the amount of \$103,640 (the “**Lien**”) was registered on March 17, 2025, against the Erb Properties by Masri O Inc., which claims it was not paid for architectural design and consulting services provided in connection with the development of the properties. A copy of the Lien is attached hereto as **Exhibit “O”**.

40. In summary, the Debtor has committed the following defaults under the Commitment Letter and the Forbearance Agreement:

Commitment Letter

- (a) failure to make six monthly payments between November 2024 and April 2025;
- (b) failure to pay the property tax owing on the Erb Properties;
- (c) failure to adequately maintain and keep current premium payments under the Commercial Policy and Home Policy;
- (d) failure to comply with reporting requirements to the Bank, including failure to deliver financial statements, confirm that realty taxes are current, or provide updates on the status of site plan approval for the Erb Properties;

- (e) granting CORFinancial a security interest in the Property, and allowing CORFinancial to register its security against the Debtor, each without providing notice to the Bank and without receiving consent of the Bank;
- (f) permitting the Lien to be registered against the Erb Properties;

Forbearance Agreement

- (g) failure to submit a repayment plan;
 - (h) failure to pay the forbearance fee installments;
 - (i) failure to repay the outstanding principal and interest amounts owing; and
 - (j) allowing CORFinancial to purport to exercise any rights against the Property
- (collectively, the “**Defaults**”).

VI. DISCUSSIONS WITH CORFINANCIAL

- 41. Since November 19, 2024, I have had several discussions with the principal of CORFinancial, Eric Inspektor. I understand from Mr. Inspektor that CORFinancial was retained by the Debtor as a financial advisor.
- 42. Following the delivery of the Second Default Letter, CORFinancial started to take a more active role in discussing the Debtor’s defaults and exploring potential resolutions with the Bank.
- 43. One potential resolution involved an assignment and assumption of the Bank’s debt and security, wherein CORFinancial would repay the Indebtedness owing to the Bank, and take an assignment of the Bank’s debt and security. These discussions occurred between January and February 2025. During that time, CORFinancial provided the Bank with a

memorandum addressed to myself and Mr. Patel entitled “indicative terms re purchase of ICICI security” (the “**COR Memo**”). Among other things, the COR Memo indicated that CORFinancial would purchase the Bank’s debt and security, with a targeted closing date of March 15, 2025. A copy of the COR Memo is attached hereto as **Exhibit “P”**.

44. Based on the COR Memo, I instructed my counsel to draft an assignment of debt and security agreement for consideration by CORFinancial. On February 26, 2025, the proposed form of assignment of debt and security agreement was provided to Mr. Inspektor for consideration. The Bank never received a response from CORFinancial or Mr. Inspektor.
45. During my discussions with Mr. Inspektor regarding a potential purchase of the Bank’s debt and security, he did not mention that CORFinancial registered a security interest against the Debtor in January. Mr. Inspektor only advised me on March 24, 2025, that such a registration had been made.
46. On that same day, Mr. Inspektor also advised me that he intended to commence a power of sale proceeding in respect of the Erb Properties. I have been advised by Mitch Grossell at TGF that CORFinancial has registered a charge/mortgage over the Erb Properties in the amount of \$500,000 (the “**CORFinancial Charge**”). I am unsure as to details or documentation supporting the CORFinancial Charge, but I understand Mr. Inspektor may have provided the Debtor with additional funds. A copy of the CORFinancial Charge is attached hereto as **Exhibit “Q”**.
47. Mr. Inspektor also advised that he intended to register a lien against the Erb Properties and proceed with listing them for sale through Cushman Wakefield or CBRE by the end of

March 2025. As of today's date, it appears that CORFinancial has not registered a lien on title to the Erb Properties.

48. On April 4, 2025, the Bank received a Notice of Sale dated March 19, 2025, issued in connection with the enforcement of the CORFinancial Charge (the "**Notice**"). Although the Notice was dated over two weeks earlier, it was not received by the Bank until April 4 by mail. A copy of the Notice is attached hereto as **Exhibit "R"**.
49. The alleged default outlined in the Notice is stated to have occurred on the same day the CORFinancial Charge was registered, which raises concerns about the circumstances surrounding its registration. I am advised by Mitch Grossell at TGF that CORFinancial is not permitted to sell the property until 35 days after the date of the Notice, which is April 24, 2025 (the "**Notice Period**"). Accordingly, the Bank requires the stay of proceedings and the appointment of the receiver prior to the expiry of the Notice Period to prevent CORFinancial from taking any action that may prejudice the interests of the Bank.
50. In response to receiving the Notice, the Bank delivered a letter on April 7, 2025 (the "**April 7 Letter**"), demanding that CORFinancial halt any enforcement action and immediately withdraw the Notice. A copy of the April 7 Letter is attached hereto as **Exhibit "S"**.
51. On April 9, 2025, Mr. Inspektor advised me that he had received the April 7 Letter but had already listed the Erb Properties with CBRE. As of today's date, I have not seen any such listing, nor has Mr. Inspektor indicated whether he intends to withdraw the Notice.

52. The commencement of any enforcement or realization steps by CORFinancial is unacceptable to the Bank as any amounts owed by the Debtor to CORFinancial are subordinate in priority to the Bank's security interest. The registration of the CORFinancial Charge and intentions to commence enforcement steps in connection therewith creates additional uncertainty, instability, and risk regarding the disposition of the Erb Properties, which can be remedied by the appointment of the Receiver.

VII. DEMAND LETTERS

53. Due to the continuing Defaults, the Bank delivered the Demands on March 20, 2025, to the Debtor and the Guarantor that demanded immediate payment of the Indebtedness. Copies of the Demands are attached hereto as **Exhibit "T"**. Along with the Demands, the Bank also issued NITES to the Debtor. A copy of the NITES is attached hereto as **Exhibit "U"**.

VIII. NECESSITY FOR THE APPOINTMENT OF A RECEIVER

54. As of today's date, the Indebtedness remains outstanding and interest and costs continue to accrue each day. Pursuant to the Mortgage and the GSA, the Debtor has permitted the Bank the right to appoint, or seek the appointment of, a receiver over the Property.
55. There is urgency to appoint a receiver today and before the Notice Period under the Notice expires. The stay of proceedings will stop the power of sale proceeding initiated by CORFinancial while the proposed receiver reviews the debt and security arrangements of CORFinancial to determine if its alleged security interest is valid and enforceable. I am advised by Mitch Grossell that, pursuant to the *Mortgages Act*, CORFinancial is permitted to sell the Erb Properties once the Notice Period elapses. Accordingly, the receiver must be appointed prior to that to maintain the Bank's rights.

56. In the circumstances, the appointment of a receiver is necessary and appropriate for the following reasons:
- (a) the Bank has demanded repayment of the Indebtedness and all applicable notice periods have expired;
 - (b) the Debtor has failed to maintain insurance for the Erb Properties and there is concern that the properties are not properly maintained and safeguarded;
 - (c) the Debtor has stopped communicating with the Bank;
 - (d) the Mortgage and the GSA permit the appointment of a receiver upon default;
 - (e) there is uncertainty created by the registration of the Lien and the actions taken by CORFinancial that are resolved by the appointment of the Receiver;
 - (f) the Bank requires the stay of proceedings to prevent CORFinancial from taking any further steps with respect to the Notice;
 - (g) a receivership proceeding allows the Court to supervise a sale process for the Erb Properties, creating stability and transparency for the benefit of all stakeholders;
 - (h) the proposed Receiver is experienced in Canadian insolvency proceedings, including with respect to real estate receiverships in particular; and
 - (i) it is just and convenient to appoint the Receiver.
57. The Bank proposes that AGI be appointed as receiver over the Property of the Debtor.
58. AGI is prepared to act as the Receiver if appointed in accordance with the terms of the draft Receivership Order. I am advised by Mitch Grossell of TGF that AGI is a “licensed

insolvency trustee” as such term is defined in the BIA. A copy of AGI’s consent to act as the Receiver is attached hereto as **Exhibit “V”**.

59. The Bank is prepared to provide financing to the Receiver in the form of Receiver’s Certificates, as provided for and in the form set out in the draft Receivership Order, subject to being satisfied as to the funding requirements.

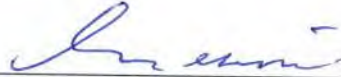
IX. CONCLUSION

60. I make this affidavit in support of the application brought by the Bank for the proposed Receivership Order and for no other or improper purpose.

AFFIRMED before me, by **LIONEL MEUNIER**, in the City of Toronto in the Province of Ontario this 14th day of April, 2025 in accordance with *O. Reg. 431/20, Administering Oath or Declaration Remotely*.



Commissioner for Taking Affidavits
(or as may be)



LIONEL MEUNIER

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

ICICI BANK CANADA.
Applicant

-AND-

2338486 ONTARIO LIMITED.
Respondent

Court File No.: CV-25-00740747-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto, Ontario

AFFIDAVIT OF LIONEL MEUNIER
(Affirmed April 14, 2025)

Thornton Grout Finnigan LLP
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Lawyers for the Applicant,
ICICI Bank Canada

This is Exhibit "A" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY



Ministry of Public and
Business Service Delivery

Profile Report

2338486 ONTARIO LIMITED as of October 15, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2338486 ONTARIO LIMITED
Ontario Corporation Number (OCN)	2338486
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	August 10, 2012
Registered or Head Office Address	1333 Weber Street E, Kitchener, Ontario, N2A 1C2, Canada

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

V. Quintanilla W.

Director/Registrar

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

Active Director(s)

Minimum Number of Directors	1
Maximum Number of Directors	5

Name	KAMAL PATEL
Address for Service	1333 Weber Street East, Kitchener, Ontario, N2A 1C2, Canada
Resident Canadian	Yes
Date Began	August 10, 2012

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

V. Quintanilla W.

Director/Registrar

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Active Officer(s)

Name	KAMAL PATEL
Position	President
Address for Service	1333 Weber Street East, Kitchener, Ontario, N2A 1C2, Canada
Date Began	August 10, 2012

Name	KAMAL PATEL
Position	Secretary
Address for Service	1333 Weber Street East, Kitchener, Ontario, N2A 1C2, Canada
Date Began	August 10, 2012

Name	KAMAL PATEL
Position	Treasurer
Address for Service	1333 Weber Street East, Kitchener, Ontario, N2A 1C2, Canada
Date Began	August 10, 2012

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Corporate Name History

Name

2338486 ONTARIO LIMITED

Effective Date

August 10, 2012

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

V. Quintanilla W.

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Active Business Names

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

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

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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

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

V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
BCA - Articles of Amendment	August 02, 2024
Annual Return - 2020 PAF: KAMAL PATEL - DIRECTOR	August 23, 2020
Annual Return - 2019 PAF: KAMAL PATEL - DIRECTOR	October 13, 2019
Annual Return - 2018 PAF: KAMAL PATEL - DIRECTOR	November 25, 2018
Annual Return - 2017 PAF: KAMAL PATEL - DIRECTOR	November 12, 2017
Annual Return - 2016 PAF: KAMAL PATEL - DIRECTOR	November 13, 2016
Annual Return - 2015 PAF: KAMAL PATEL - DIRECTOR	November 14, 2015
Annual Return - 2014 PAF: KAMAL PATEL - DIRECTOR	August 16, 2014
Annual Return - 2013 PAF: KAMAL PATEL - DIRECTOR	August 16, 2014
CIA - Initial Return PAF: KAMAL PATEL - DIRECTOR	April 17, 2013
BCA - Articles of Incorporation	August 10, 2012

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

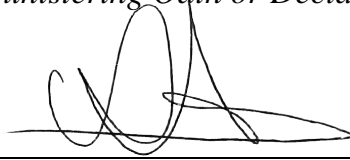
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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

This is Exhibit "B" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

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

A Commissioner for taking affidavits

DANIEL ALIEVSKY

GUARANTEE AGREEMENT

To: **ICICI BANK CANADA**
(the "**Bank**")
Don Valley Business Park
150 Ferrand Drive, Suite 1200
Toronto, Ontario M3C 3E5

Attention: Mr. Lester Fernandes, Head of Corporate and Commercial
Banking
Email address: lester.fernandes@icicibank.com

WHEREAS, as security for the payment of the full amount of the indebtedness, liabilities and obligations of 2338486 Ontario Limited (the "**Chargor**") to the Bank, Kamal Patel (the "**Guarantor**") has agreed to guarantee payment of the Chargor's present and future indebtedness, liabilities and obligations to the Bank on the terms and subject to the conditions hereinafter set forth;

AND WHEREAS, it is in the best interests of the Guarantor to execute and deliver this agreement, inasmuch as the Guarantor will derive substantial direct and indirect benefits from the provision of credit by the Bank to the Chargor;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the Guarantor hereby covenants to and for the benefit of the Bank as follows:

ARTICLE 1 INTERPRETATION

1.01 Defined Terms. All capitalized terms which are used herein which are not otherwise defined herein shall have the respective meanings ascribed thereto in the Commitment Letter. In this agreement or any amendment to this agreement, unless the context clearly indicates to the contrary:

"Business Day" means a day except Saturday or Sunday or a statutory holiday in the Province of Ontario.

"Charge" means the charge/mortgage of the Property granted by the Chargor to the Bank in the original principal amount of \$2,800,000.00 registered against the Property as Instrument No. _____ on _____, as it may be amended.

"Commitment Letter" means the commitment letter dated June 29, 2023 issued by the Bank to the Chargor, as the same may be amended, modified or replaced from time to time, and pursuant to which a loan in the principal amount of \$2,800,000.00 was made by the Bank to the Chargor.

“Loan Documents” means the Commitment Letter, the Charge, the collateral security thereto and the Security as defined in the Commitment Letter.

“Obligations” means all indebtedness, liabilities and obligations of the Chargor to the Bank under or secured by the Loan Documents.

“Person” means any natural person, corporation, firm, partnership, joint venture, joint stock company, incorporated or unincorporated association, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

1.02 Other Usages. References to “this agreement”, “the agreement”, “hereof”, “herein”, “hereto” and like references refer to this Guarantee Agreement, as amended, modified, supplemented or replaced from time to time, and not to any particular Article, Section or other subdivision of this agreement.

1.03 Plural and Singular. Where the context so requires, words importing the singular number shall include the plural and vice versa.

1.04 Headings. The division of this agreement into Articles and Sections and the insertion of headings in this agreement are for convenience of reference only and shall not affect the construction or interpretation of this agreement.

1.05 Applicable Law. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

1.06 Time of the Essence. Time shall in all respects be of the essence of this agreement, and no extension or variation of this agreement or any obligation hereunder shall operate as a waiver of this provision.

ARTICLE 2 GUARANTEE

2.01 Guarantee. The Guarantor hereby unconditionally, absolutely and irrevocably guarantees the full and punctual payment to the Bank as and when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise of all of the Obligations of the Chargor pursuant to the Loan Documents, whether for principal, interest, fees, expenses, indemnities or otherwise.

2.02 Acceleration of Guarantee. The Guarantor agrees that, in the event of the insolvency of the Guarantor, or the inability or failure (after any applicable grace periods) of the Guarantor to pay debts as they become due, or an assignment by the Guarantor for the benefit of creditors, or the commencement of any proceeding in respect of the Guarantor under any bankruptcy, insolvency or similar laws, and if such event shall occur at a time when any of the Obligations may not then be due and payable, the Guarantor will pay to the Bank forthwith the full amount which would be payable hereunder by the Guarantor if all such Obligations were then due and payable.

2.03 Nature of Guarantee. The Guarantee shall in all respects be a continuing, absolute, unconditional and irrevocable guarantee of payment when due and not of collection, and shall remain in full force and effect until all Obligations have been paid in full, all obligations of the Guarantor hereunder have been paid in full and any and all commitments of the Bank to the Chargor have been permanently terminated. The Guarantor guarantees that the Obligations will be paid strictly in accordance with the terms of the Loan Document under which they arise, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Bank with respect thereto. The Guarantor renounces all benefits of discussion and division. The liability of the Guarantor under this agreement shall be absolute, unconditional and irrevocable irrespective of, and without being lessened or limited by:

- (a) any lack of validity, legality, effectiveness or enforceability of any Loan Document;
- (b) the failure of the Bank:
 - (i) to assert any claim or demand or to enforce any right or remedy against the Chargor or any other Person (including any other guarantor) under the provisions of any Loan Document, or otherwise, or
 - (ii) to exercise any right or remedy against any other guarantor of, or collateral securing, any of the Obligations;
- (c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other extension, compromise, indulgence or renewal of any Obligation;
- (d) any reduction, limitation, variation, impairment, discontinuance or termination of the Obligations for any reason (other than by reason of any payment which is not required to be rescinded), including any claim of waiver, release, discharge, surrender, alteration or compromise, and shall not be subject to (and the Guarantor hereby waives any right to or claim of) any defence or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, the Obligations or otherwise (other than by reason of any payment which is not required to be rescinded);
- (e) any amendment to, rescission, waiver or other modification of, or any consent to any departure from, any of the terms of any Loan Document or any other guarantees or security;
- (f) any addition, exchange, release, discharge, renewal, realization or non-perfection of any collateral security for the Obligations or any amendment to, or waiver or release or addition of, or consent to departure from, any other guarantee held by the Bank as security for any of the Obligations;

- (g) the loss of or in respect of or the unenforceability of any other guarantee or other security which the Bank may now or hereafter hold in respect of the Obligations, whether occasioned by the fault of the Bank or otherwise;
- (h) any change in the name of the Chargor or in the constating documents, capital structure, capacity or constitution of the Chargor, the bankruptcy or insolvency of the Chargor, the sale of any or all of the Chargor's business or assets or the Chargor being consolidated, merged or amalgamated with any other Person; or
- (i) any other circumstance (other than final payment in full of all Obligations) which might otherwise constitute a defence available to, or a legal or equitable discharge of, the Chargor, any surety or any guarantor.

2.04 Enforcement. Upon any of the Obligations becoming due and payable, the Guarantor shall forthwith pay to the Bank the total amount of such Obligations and the Bank may apply the sum so paid against such of such Obligations as the Bank may see fit and change any such application in whole or in part from time to time. A written statement of the Bank as to the amount remaining unpaid to the Bank by the Chargor at any time shall be conclusive evidence against the Guarantor, absent manifest error, as to the amount remaining unpaid to the Bank by the Chargor at such time.

2.05 Guarantee in Addition to Other Security. This guarantee shall be in addition to and not in substitution for any other guarantee or other security which the Bank may now or hereafter hold in respect of the Obligations, and the Bank shall be under no obligation to marshal in favour of the Guarantor any other guarantee or other security or any moneys or other assets which the Bank may be entitled to receive or may have a claim upon.

2.06 Reinstatement. This guarantee and all other terms of this agreement shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be returned or restored by the Bank by reason of the insolvency, bankruptcy or reorganization of the Chargor or for any other reason not involving the wilful misconduct of the Bank, all as though such payment had not been made.

2.07 Waiver of Notice, etc. The Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Obligations and this agreement.

2.08 Subrogation Rights. Until satisfaction in full of all of the Obligations, all dividends, compositions, proceeds of security or payments received by the Bank from the Chargor or others in respect of the Obligations shall be regarded for all purposes as payments in gross without any right on the part of the Guarantor to claim the benefit thereof in reduction of the liability under this agreement. The Guarantor will not exercise any rights which it may acquire by way of subrogation under this agreement, by any payment made hereunder or otherwise, until the prior satisfaction in full of all of the Obligations. Any amount paid to the Guarantor on account of any such subrogation rights prior to the satisfaction in full of all Obligations shall be held in trust for the benefit of the Bank and shall immediately be paid to the Bank and credited and applied against the Obligations, whether matured or unmatured; provided, however, that if

- (a) the Guarantor has made payment to the Bank of all or any part of the Obligations, and
- (b) all Obligations have been paid in full and all commitments of the Bank to the Chargor have been permanently terminated,

the Bank agrees that, at the Guarantor's request, the Bank will execute and deliver to the Guarantor appropriate documents (without recourse and without representation or warranty) necessary to evidence the transfer by subrogation to the Guarantor of an interest in the Obligations resulting from such payment by the Guarantor. In furtherance of the foregoing, for so long as any Obligations or any commitments of the Bank to the Chargor remain outstanding, the Guarantor hereby postpones any and all claims it may have against the Chargor to the claims of the Bank against the Chargor, and agrees to refrain from taking any action or commencing any proceeding against the Chargor or its successors or assigns, whether in connection with a bankruptcy proceeding or otherwise, to recover any amounts in respect of payments made under this agreement to the Bank.

2.09 Advances After Certain Events. All advances, renewals and credits made or granted by the Bank purportedly to or for the Chargor after the bankruptcy or insolvency of the Chargor, but before the Bank has received notice thereof, shall be deemed to form part of the Obligations, and all advances, renewals and credits obtained from the Bank purportedly by or on behalf of the Chargor shall be deemed to form part of the Obligations, notwithstanding any lack or limitation of power, incapacity or disability of the Chargor or of the directors or agents thereof and notwithstanding that the Chargor may not be a legal entity and notwithstanding any irregularity, defect or informality in the obtaining of such advances, renewals or credits, whether or not the Bank has knowledge thereof. The Guarantor will indemnify the Bank for any such advance, renewal or credit that is not repaid to the Bank.

2.10 Assignment and Postponement of Claims. All present and future debts and liabilities of the Chargor to the Guarantor are hereby assigned to the Bank (the "**Postponed Obligations**") and subordinated and postponed to the Obligations. The Guarantor agrees and covenants not to receive any payments of principal and/or interest in respect of any Postponed Obligations after an event of default under any of the Loan Documents or if such payments will cause a default in any of the conditions or covenants in any of the Loan Documents and all monies received by the Guarantor in respect thereof shall be received in trust for the Bank and forthwith upon receipt, the Guarantor shall notify the Bank of the fact of the receipt and the amount thereof and shall forthwith pay over in accordance with the direction in writing of the Bank, the whole thereof, without in any way lessening or limiting the liability of the Guarantor of this Guarantee. This Assignment and Postponement is independent of the guarantee and shall remain in full force and effect until repayment in full to the Bank of all the guaranteed liabilities, notwithstanding that the liability of the undersigned under this guarantee may have been discharged or terminated.

2.11 Proceeds of Sale of Other Properties. The Guarantor agrees and covenants to pay to the Chargor the proceeds of the sale of the Guarantor's other projects, including the projects owned by Pamata Hospitality Inc. and 2460467 Ontario Inc., to be used towards the repayment of the

principal amount and interest secured by the Charge and/or development/construction costs in connection with the Chargor's proposed development of the Property.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.01 Representations and Warranties. To induce the Bank to extend credit to the Chargor, the Guarantor hereby represents and warrants to the Bank as follows and acknowledges and confirms that the Bank is relying upon such representations and warranties in extending credit to the Chargor:

- (a) **Enforcement of Documents.** This agreement is a valid and binding obligation of the Guarantor, enforceable against the Guarantor by the Bank in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization and other similar laws limiting the enforcement of creditors' rights generally and the fact that the courts may deny the granting or enforcement of equitable remedies.
- (b) **Solvency.** The Guarantor is not an Insolvent Person or will become an Insolvent Person as a result of the giving of this Guarantee. The Guarantor has not committed an act of bankruptcy or insolvency, nor is he subject to any Insolvency Proceedings;

3.02 Survival of Representations and Warranties. All of the representations and warranties of the Guarantor contained in Section 3.01 shall survive the execution and delivery of this agreement notwithstanding any investigation made at any time by or on behalf of the Bank.

ARTICLE 4 GENERAL CONTRACT PROVISIONS

4.01 Notices. All notices, requests, demands, directions and other communications provided for herein shall be in writing and shall be personally delivered or sent by fax or email transmission at or to, in the case of the Bank, the address, fax number or email address of the Bank set forth on the first page hereof and, in the case of the Guarantor, the address, fax number or email address set opposite his name on the signature page hereof, or to such other address or email addresses or fax numbers as either party hereto may from time to time designate to the other party in such manner. Any communication which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any communication which is transmitted by fax or electronic communication as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

4.02 Further Assurances. The Guarantor shall do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as the Bank may reasonably request for the purpose of giving effect to this agreement.

4.03 Severability. Wherever possible, each provision of this agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this agreement.

4.04 Successors and Assigns. This agreement shall enure to the benefit of the Bank and its successors and assigns and shall be binding upon the Guarantor and his heirs, administrators, successors and assigns.

4.05 Amendments and Waivers. No amendment to or waiver of any provision of this agreement, nor consent to any departure by the Guarantor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

4.06 Entire Agreement. This agreement and the agreements referred to herein constitute the entire agreement between the parties hereto and supersede any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect of the subject matter hereof.

4.07 Set-Off. In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, the Bank is authorized upon any amounts being payable by the Guarantor to the Bank hereunder, without notice to the Guarantor or to any other Person, any such notice being expressly waived by the Guarantor, to setoff, appropriate and apply any and all deposits, matured or unmatured, general or special, and any other indebtedness at any time held by or owing by the Bank to or for the credit of or the account of the Guarantor against and on account of the obligations and liabilities of the Guarantor which are due and payable to the Bank under this agreement.

4.08 No Waiver; Remedies; No Duty. In addition to, and not in limitation of, Section 2.04 and Section 2.08, no failure on the part of the Bank to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law. The Bank has no duty or responsibility to provide the Guarantor with any credit or other information concerning the Chargor's affairs, financial condition or business which may come into the Bank's possession.

[Signature page follows]

IN WITNESS WHEREOF the Guarantor has executed this agreement the 29 day of June, 2023.

Witness:

Name:

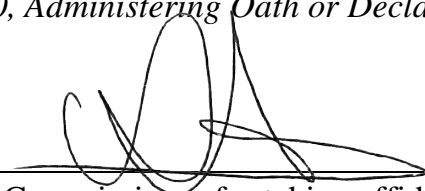
Jaspal Singh Virk
Barrister, Solicitor & Notary Public
Virk Law Professional Corporation
88 Edna Street, Kitchener
Ontario, Canada N2H 2E5
Tel: (519) 342-6412 Fax: (519) 342-6472

Kamal Patel

Address: 29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Email Address: hojokitchener@yahoo.com

This is Exhibit "C" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

LAND
REGISTRY
OFFICE #58

22393-0636 (LT)

PAGE 1 OF 2
PREPARED FOR C. MACDONALD
ON 2025/04/01 AT 09:45:01

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

PROPERTY DESCRIPTION: PART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 22393-0129

PIN CREATION DATE:

2024/01/18

OWNERS' NAMES

2338486 ONTARIO LIMITED

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2024/01/18 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2002/12/23 **						
250209	1963/01/15	BYLAW				C
1487642	2001/02/20	DEPOSIT		WEICKERT, KURT		C
REMARKS: PROOF OF DEATH FREDERICK KURT WEICKERT						
WR746410	2013/03/28	TRANSFER	\$486,500	2175558 ONTARIO INC.	2338486 ONTARIO LIMITED	C
REMARKS: PLANNING ACT STATEMENTS.						
WR801637	2014/02/03	NOTICE		THE CORPORATION OF THE CITY OF WATERLOO	2338486 ONTARIO LIMITED	C
58R21677	2023/04/04	PLAN REFERENCE				C
REMARKS: WR1501963.						
WR1517871	2023/07/04	CHARGE	\$2,800,000	2338486 ONTARIO LIMITED	ICICI BANK CANADA	C
WR1517872	2023/07/04	NO ASSGN RENT GEN		2338486 ONTARIO LIMITED	ICICI BANK CANADA	C
REMARKS: WR1517871						
WR1622924	2025/03/05	CHARGE	\$500,000	2338486 ONTARIO LIMITED	CORFINANCIAL CORP.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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22393-0636 (LT)

PAGE 2 OF 2
PREPARED FOR C. MACDONALD
ON 2025/04/01 AT 09:45:01

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WR1624548	2025/03/17	CONSTRUCTION LIEN	\$103,640	MASRI O INC.		C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PAGE 1 OF 1
PREPARED FOR C. MACDONALD
ON 2025/04/01 AT 09:43:50

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

PROPERTY DESCRIPTION: PART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 22393-0128

PIN CREATION DATE:

2024/01/18

OWNERS' NAMES

2338486 ONTARIO LIMITED

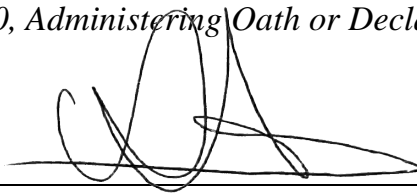
CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2024/01/18 **						
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** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2002/12/23 **						
250209	1963/01/15	BYLAW				C
WR1409932	2022/01/28	TRANSFER	\$1,650,000	NORTHBANK CAPITAL PARTNERS INC.	2338486 ONTARIO LIMITED PATEL, KAMAL	C
REMARKS: PLANNING ACT STATEMENTS.						
58R21677	2023/04/04	PLAN REFERENCE				C
REMARKS: WR1501963.						
WR1517870	2023/07/04	TRANSFER		PATEL, KAMAL	2338486 ONTARIO LIMITED	C
WR1517871	2023/07/04	CHARGE	\$2,800,000	2338486 ONTARIO LIMITED	ICICI BANK CANADA	C
WR1517872	2023/07/04	NO ASSGN RENT GEN		2338486 ONTARIO LIMITED	ICICI BANK CANADA	C
REMARKS: WR1517871						
WR1622924	2025/03/05	CHARGE	\$500,000	2338486 ONTARIO LIMITED	CORFINANCIAL CORP.	C
WR1624548	2025/03/17	CONSTRUCTION LIEN	\$103,640	MASRI O INC.		C

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

This is Exhibit "D" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

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

A Commissioner for taking affidavits

DANIEL ALIEVSKY

CHARAN (CHARLIE) SINGH INSURANCE AGENCY INC
407-7700 HURONTARIO ST
BRAMPTON ON L6Y 4M3

2338486 ONTARIO LTD.
29 IDLE RIDGE CRT
KITCHENER ON N2A 3W3

**Call.**

CHARAN (CHARLIE) SINGH INSURANCE AGENCY INC
at 905-450-1901

**Click.**

cooperators.ca

**Come in.**

CHARAN (CHARLIE) SINGH INSURANCE AGENCY INC
407-7700 HURONTARIO ST
BRAMPTON, ON L6Y 4M3

Your updated home insurance policy



Your Certificate of Insurance

Page 3

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We're investing in your future. Together.

We're driven to provide financial security for Canadians and our communities, not just today, but for generations to come. To succeed, we need to embed a mindset of sustainability into everything we do – because we know our financial prosperity and the wealth of our clients is deeply connected to the health and well-being of our planet and our communities.

We became carbon neutral equivalent in 2020 and have set targets to become net-zero in our operations and our investments by 2040 and 2050, respectively. In the meantime, we will continue reducing our emissions and investing in climate solutions to get us to net-zero.

Learn more about our net-zero commitments and how we're helping to build a climate-resilient future at integratedreport.cooperators.ca.

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INSURED

2338486 ONTARIO LTD.
29 IDLE RIDGE CRT
KITCHENER ON N2A 3W3

Home Insurance Policy No. 4002034396

Underwritten by Co-operators General Insurance Company

This Certificate of Insurance summarizes your coverages, shows your policy's effective and expiry dates, and provides the cost for your recent policy changes.

Any premium reimbursement issued by Co-operators General Insurance Company, during the term of your policy, will be made payable to the payor on file, as per the information provided by the insured.

EFFECTIVE DATE

January 28, 2024 at 12:01 AM

EXPIRY DATE

January 28, 2025 at 12:01 AM

All times are local times at the postal address of the Insured.

Questions?

CHARAN (CHARLIE) SINGH INSURANCE AGENCY INC
at 905-450-1901
407-7700 HURONTARIO ST
BRAMPTON, ON L6Y 4M3

Summary of Insured Items

Location : 392 ERB STREET WEST, WATERLOO, ON

Liability coverage

Premium total	-\$397.00
Ontario Tax (Taxable premium: -\$397.00)	-\$31.76
Total cost for your change	-\$428.76

Location : 392 ERB STREET WEST, WATERLOO, ON N2L 1W6

POLICY TYPE: Residential Prestige

MORTGAGEE: ICICI BANK CANADA, DON VALLEY BUSINESS PARK 150 FERRAND DRIVE SUITE 700, TORONTO, ON M3C 3E5

	DEDUCTIBLE	LIMIT	PREMIUM
Property Coverage	\$2,500		
Dwelling		\$975,000	\$2,968.00
Loss of Use of Your Dwelling		\$97,500	Included
Detached Private Structures		\$146,300	Included
Personal Property		\$10,000	\$73.00
Additional Property Coverages/Endorsements			
Guaranteed Replacement Cost for Dwelling	—	—	Included
Comprehensive Water		\$75,000	\$553.00
Deductible: the greater of \$1,000 or 2% of the total amount of the insured loss or damage			

(continued)

The policy contains a clause that may limit the amount payable.

Location : 392 ERB STREET WEST, WATERLOO, ON N2L 1W6 (continued)

	DEDUCTIBLE	LIMIT	PREMIUM
Additional Property Coverages/Endorsements (continued)			
Special Settlement for Windstorm or Hail Damage	—	—	—
Communicable Disease Exclusion	—	—	—
Subtotal for Location property coverage			\$3,594.00

Liability Coverage**Applicable to:**

392 ERB Street West, WATERLOO, Ontario, N2L 1W6

Liability

Legal Liability	\$2,000,000	Included
Voluntary Medical Expenses Coverage	\$5,000	Included
Voluntary Payment for Damage to Property Coverage	\$2,000	Included

Liability Coverages/Endorsements

Residential Units - 392 ERB Street West

of Rented Units: 4 \$273.00

Subtotal for liability coverage \$273.00

**Discounts**

Your policy includes discounts for:

Claims Free

Non-smoker

Robert Wesseling
President and Chief Executive Officer
Authorized Signature of Insurer

This is Exhibit "E" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

THIS COMMERCIAL INSURANCE POLICY CONSISTS OF THIS (THESE) DECLARATIONS PAGE(S) ALONG WITH THE "GENERAL CONDITIONS" (OR "STATUTORY CONDITIONS"), AS WELL AS ALL COVERAGE WORDINGS, RIDERS OR ENDORSEMENT THAT ARE ATTACHED HERETO.

COMMERCIAL POLICY



Effected with certain Lloyd's Underwriters and other insurer (hereinafter called the Insurer) through Lloyd's approved coverholder ('the Coverholder')

LLOYD'S

Policy No. PPAE4053

Declarations

Effective 07/27/2024

POLICY DECLARATIONS

INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH A SPECIFIC LIMIT OF INSURANCE IS SHOWN - ON TERMS AND CONDITIONS CONTAINED IN THE FORMS INDICATED. ANY REFERENCE HEREIN TO THE "COMPANY" SHALL BE CONSTRUED AS THE INSURER

Purpose of Document

Policy Renewal-The Insurer will provide the insurance described in this Policy in return for the premium paid by the Insured and his compliance with the terms of this insurance.

THE COVERHOLDER

ABEX (Affiliated Brokers Exchange)
206-139 Northfield Dr. W. Waterloo ON, N2L 5A6
service@abexinsurance.com

Name of Insured Mailing Address

2338486 Ontario Inc., Kamal Patel
29 Idle Ridge Crt
Kitchener ON N2A 3W3

Policy Period

From July 27, 2024 To July 27, 2025
(12:01 a.m. Standard Time at the Mailing Address of the Insured)

Broker

Insureit Group Inc.
800 Denison St Suite 200 Markham ON L3R 5M9
INS005

Broker No.

Description of Business Operations

Rented Dwelling - Single Family Rental - 1 Unit - Any change in operations may result in claims being denied.

Premium

\$1,966

Minimum Retained Premium

\$492

ABEX Inspection Fee

\$0

ABEX Policy Fee

\$160

Total Due (Excl. Appl. Taxes) (this transaction):

\$2,126

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

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

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

The business insured/reinsured herein meets the necessary conditions to qualify as, and is being transacted as, "insuring in Canada a risk" in accordance with Part XIII of the Insurance Companies Act (Canada).

01/11/11 LMA5185

THIS POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE

IN WITNESS WHEREOF, THIS DOCUMENT HAS BEEN SIGNED, AS AUTHORIZED BY THE INSURER BY

Agreement No.

TERM PREMIUM :\$1,966

PER

B1284CB24A071A
CB24A071A(76)

COMMERCIAL POLICY



Effected with certain Lloyd's Underwriters and other insurer (hereinafter called the Insurer) through Lloyd's approved coverholder ('the Coverholder')

LLOYD'S

Policy No. PPAAE4053

Declarations

Effective 07/27/2024

Property

Location Number: 1
Location Address: Location #1 Building #1 398 Erb St W, Waterloo **Province:** ON **Postal Code:** N2L 1W6
Occupancy by Insured: Rented Dwelling - Single Family Rental - 1 Unit - Any change in operations may result in claims being denied.
Occupancy by Others:

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

FORM #	COVERAGE DESCRIPTION	DEDUCTIBLE	CO-INS	LIMIT OF INSURANCE	RATE	PREMIUM
PBF01	Building Equipment and Stock (Broad Form)					
	Building	\$1,000	90%	\$503,721	\$0.26	\$1,310
	Outbuildings	\$1,000	90%			Included
	There is no coverage for outbuildings unless a limit is shown on the policy					
	Contents (The Package)	\$1,000	90%	\$20,600	\$0.26	\$54
RC01(7/00)	Replacement Cost Extension					
SBU01(7/00)	Sewer Backup Extension	\$2,500		\$25,000		\$25
PCP1	Pollution Cleanup on Premises	\$1,000		\$50,000		\$50
RI01(07/00)	Rental Income (Broad Form) - Maximum Indemnity Period 12 months		80%	\$18,000	\$0.26	\$47
RISBU	Rental Income Sewer Backup Extension	\$2,500				
PVR01	Vandalism by Tenants Restriction Endorsement			\$25,000		\$100
PEQ	Earthquake	3% / \$100,000 min.		\$542,321		\$15
PFL	Flood	\$25,000		\$542,321		\$15

Applicable To Property Section

Form #	Coverage	Form #	Coverage
LMA5393	Communicable Disease Endorsement (Property)		This policy is subject to: - Any additions, alterations or repairs to the Insured Premises must be approved in advance by Abex where the estimated cost of such work exceeds \$50,000 and/or involves structural changes. Failure to comply with this condition may result in a reduction or declination of any claim payment. - All maintenance contractors working at the insured premises must be licensed and are required to carry at least \$2,000,000 liability insurance.
LMA5401	Property Cyber and Data Exclusion	PFDX	Fungi and Fungal Derivatives Exclusion (Property)

COMMERCIAL POLICY



Effected with certain Lloyd's Underwriters and other insurer (hereinafter called the Insurer) through Lloyd's approved coverholder ('the Coverholder')

LLOYD'S

Policy No. **PPAE4053**

Declarations

Effective 07/27/2024

SECTION 3 - LIABILITY COVERAGE

FORM #	COVERAGE DESCRIPTION	DEDUCTIBLE	BI/PD	LIMIT OF INSURANCE	PREMIUM
LIA01	Commercial General Liability (Occurrence Form)				
	General Aggregate Limit	\$1,000		\$2,000,000	\$350
	Products-completed operations included				
	Products-completed operations aggregate limit			\$2,000,000	Included
	Each Occurrence Limit			\$2,000,000	
	Personal and Advertising Injury Limit			\$2,000,000	
	Any one Person or Organization				
	Medical Payments Limit			\$25,000	Included
	Any One Person				
	Tenants' Legal Liability Limit			\$100,000	Included
	Any One Premises				
LBI (10/05)	Bodily Injury Deductible				
LPD (10/05)	Property Damage Deductible				
LDP (10/05)	Limitation to Designated Premises Restriction				

Applicable To All Liability Coverage

Form #	Coverage
LMA5396	Communicable Disease Exclusion (Liability)
NMA2951	Terrorism Exclusion Endorsement
LFDX	Fungi and Fungal Derivatives Exclusion (Liability)
LEDCX	Electronic Data and Cyber Attack Exclusion
LMDE	Misinterpretation of Date Exclusion
LAMX	Assault, Abuse, Molestation and Battery Exclusion
LMA5528A	Cyber and Data Exclusion (Liability)

Applicable To All Coverages Of This Policy

Form #	Coverage	Form #	Coverage
SW024	Additional Clauses	LMA5583B	Territorial Exclusion: Russia, Ukraine and Belarus
PPDSX	Growing or Selling of Plants, Drugs, Substances Exclusions	LMA5596A	Perfluorinated Compounds, Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)
NMA0464	War and Civil War Exclusion Clause	LSW1001	Several Liability Notice
NMA1331	Cancellation Clause	LSW1542F	Lloyd's Policyholders' Complaint Protocol
NMA1662	Radioactive Contamination and Explosive Nuclear Assemblies Exclusion Clause	G01	Business Income General Policy Conditions
NMA1978a	Nuclear Incident Exclusion Clause	G02	Notice to Insureds (Ontario Privacy Act, 1987)
NMA2342	Seepage and/or Pollution and/or Contamination Exclusion Clause	G03	Additional Agreements and Conditions
GELC	English Language Clause	G14	Choice of Law & Jurisdiction
GAXC	Asbestos Exclusion Clause	G10	How to Report a Claim
QAEC	Quebec Amendatory Endorsement Quebec Civil Code Amendment	G05	Short Rate Cancellation Table
LMA5096	Several Liability Clause (Combined Certificates)	G06	Cancellation Clause Amendment

Applicable To All Coverages Of This Policy - Continued	
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Form #	Coverage	Form #	Coverage
			30 Days

Additional Insured Schedule

Additional Insured

The Corporation Of The City Of Waterloo C/O Municipal Enforcement Services - PO BOX 337 100 Regina St S, Waterloo, ON N2J 4A8, STN Waterloo

Additional Insured

ICICI Bank Canada Don Valley Buiness Park - 150 Ferrand Dr, North York, ON M3C 3E5

Loss Payee / Mortgagee Schedule

Loc#:1 - 398 Erb St W, Waterloo, ON, N2L 1W6

Mortgagee - Libro Credit Union - 1170 Fischer Hallman Rd Suite 100, Kitchener, ON N2E 3Z3

First Mortgagee

Mortgagee - 1154605 Ontario Inc. - 38 Timbermill Cres, Markham, ON L3P 6W8

Second Mortgagee

Mortgagee - ICICI Bank Canada Don Valley Business Park - 150 Ferrand Dr Suite 700, North York, ON M3C 3E5

First Mortgagee

SUBSCRIPTION POLICY

LSW1554

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

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

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

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

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

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

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

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

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

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

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

LIST OF SUBSCRIBING COMPANIES (Subject to conditions in LSW1554 and LSW1550)

THE INSURER	SECTION	PERCENT INSURED	TOTAL PREMIUM	ENDORSEMENT PREMIUM
Underwriters at Lloyds under Contract No. CB24A071A(76) B1284CB24A071A	Prop	82.5%	\$1,333	
Underwriters at Lloyds under Contract No. CB241194A(72) B1284CB241194A	Prop	17.5%	\$283	
Underwriters at Lloyds under Contract No. CB24A071A(77) B1284CB24A071A	Liab	100%	\$350	
			Total Premium	\$1,966

COMMERCIAL POLICY



Effected with certain Lloyd's Underwriters and other insurer (hereinafter called the Insurer) through Lloyd's approved coverholder ('the Coverholder')

LLOYD'S

Policy No. PP AE4053

Declarations

Effective 07/27/2024

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

IDENTIFICATION OF INSURER / ACTION AGAINST INSURER

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

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney In Fact in Canada for Lloyd's Underwriters, whose address for such service is Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition Quebec Legal proceedings may be served to: c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8.

NOTICE

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

07/22
LSW1550A

THIS COMMERCIAL INSURANCE POLICY CONSISTS OF THIS (THESE) DECLARATIONS PAGE(S) ALONG WITH THE "GENERAL CONDITIONS" (OR "STATUTORY CONDITIONS"), AS WELL AS ALL COVERAGE WORDINGS, RIDERS OR ENDORSEMENT THAT ARE ATTACHED HERETO.

COMMERCIAL POLICY



Effected with certain Lloyd's Underwriters and other insurer (hereinafter called the Insurer) through Lloyd's approved coverholder ('the Coverholder')

LLOYD'S

Policy No. PPAE4053

Declarations

Effective 07/27/2024

INSURANCE IS PROVIDED ONLY FOR THOSE COVERAGES FOR WHICH A SPECIFIC LIMIT OF INSURANCE IS SHOWN - ON TERMS AND CONDITIONS CONTAINED IN THE FORMS INDICATED.
ANY REFERENCE HEREIN TO THE "COMPANY" SHALL BE CONSTRUED AS THE INSURER

CANCELLATION REQUEST

We, the undersigned, do hereby request cancellation of the Policy bearing number PPAE4053 (together with any renewal certificates relating thereto) as of _____ and acknowledge that the Insurers are hereby relieved from all liability as from the cancellation date.

Signature of First Named Insured _____ Signature of a Witness _____

Signature of Second Named Insured _____ Signature of a Witness _____

Signature of Third Named Insured _____ Signature of a Witness _____

Signature of Mortgagee _____ Signature of a Witness _____

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN CLAUSE 19

1. INDEMNITY AGREEMENT

In the event that any of the property insured be lost or damaged by the perils insured against, the Insurer will indemnify the Insured against the direct loss so caused to an amount not exceeding whichever is the least of:

- (a) the actual cash value of the property at the time of loss or damage;
- (b) the interest of the Insured in the property;
- (c) the amount of insurance specified on the "Declarations Page" in respect of the property lost or damaged.

Provided, however, that where the insurance applies to the property of more than one person or interest, the Insurer's total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the amount or amounts of insurance specified on the "Declarations Page".

2. PROPERTY INSURED

A. This form insures the following property but only those items for which an amount of insurance is specified on the "Declarations Page":

"Building"

"Equipment"

"Stock"

"Contents", being "Equipment" and "Stock"

"Building and Contents".

If **Blanket coverage applies** is indicated on the "Declarations Page", "building" and/or "equipment" and/or "stock" are insured for the amount of insurance so specified on the "Declarations Page".

The insurance in this Clause 2.A. applies only while at the location(s) specified on the "Declarations Page".

B. This form also insures "equipment" and "stock" but only those items for which an amount of insurance is specified on the "Declarations Page":

Property at temporary locations: "Equipment" and "stock" other than at a specified location except while in transit, but there shall be no liability under this item at any location owned, rented or controlled in whole or in part by the Insured.

Property at newly acquired locations: "Equipment" and "stock" at any acquired location that is owned, rented or controlled by the Insured in whole or in part or in or on vehicles within 100 metres of such location. This limit of insurance attaches at the time of the acquisition and extends for a period of 30 days or to the date of endorsement of this form adding such location whichever first occurs.

Property in transit by parcel post or courier: "Equipment" and "stock" in any one package in course of transit by parcel post or courier.

Property in transit (other than by parcel post or courier): "Equipment" and "stock", in transit other than by parcel post or courier.

Property in custody of sales representatives: "Equipment" and "stock", whether in transit or otherwise, in the custody of a sales representative of the Insured.

The insurance in this Clause 2.B. applies only while the described property is within Canada and the continental United States of America (excluding Alaska).

3. DEDUCTIBLE

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against exceeds the amount of the deductible specified on the "Declarations Page" in any one occurrence.

4. CO-INSURANCE

This clause applies separately to each item for which a co-insurance percentage is specified on the "Declarations Page" and only where the total loss exceeds the lesser of 2% of the applicable amount of insurance or \$5,000.

The Insured shall maintain insurance concurrent with this form on the property insured to the extent of at least the amount produced by multiplying the actual cash value of the property by the co-insurance percentage specified on the "Declarations Page", and failing so to do, shall only be entitled to recover that portion of any loss that the amount of insurance in force at the time of loss bears to the amount of insurance required to be maintained by this clause.

5. PERILS INSURED

This form, except as herein provided, insures against all risks of direct physical loss of or damage to the property insured.

6. EXCLUSIONS

A. PROPERTY EXCLUDED

This form does not insure loss of or damage to:

- (a) sewers, drains or watermain located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae (including satellite receivers) and equipment attached thereto, streetclocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss or damage caused directly by "Named Perils";

- (b) property at locations which to the knowledge of the Insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Clause 19 (i) ensues and then only for such ensuing loss or damage;
- (d) growing plants, trees, shrubs or flowers, all while in the open except as provided in the Extensions of Coverage Clause 7(e);
- (e) animals, fish or birds, but this exclusion does not apply to loss or damage caused directly by "Named Perils" or from theft or attempt thereat;
- (f) money, bullion, platinum and other precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
- (g) automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors or other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "premises" of the Insured;
- (h) furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones, and pre-recorded video tapes but this exclusion does not apply to:
 - (i) the first one thousand dollars (\$1,000.) of any loss insured herein;
 - (ii) any loss or damage caused directly by "Named Perils";
- (i) property insured under the terms of any Marine Insurance, and property while waterborne, except while on a regular ferry or railway car transfer in connection with land transportation;
- (j) property on loan or on rental or sold by the Insured under conditional sale, instalment payment or other deferred payment plan, from the time of leaving the Insured's custody, but this exclusion does not apply while such property is in the custody of a carrier for hire for the purpose of delivery at the risk of the Insured;
- (k) property in the custody of a sales representative outside the "premises" of the Insured, unless an amount of insurance is shown on the "Declarations Page" pertaining to "Sales Representative";
- (l) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- (m) (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
- (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);
- caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
 - (1) manually portable gas cylinders;
 - (2) explosion of natural, coal or manufactured gas;
 - (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

B. PERILS EXCLUDED

This form does not insure against loss or damage caused directly or indirectly:

- (a) by earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from "fire protective equipment", all as described in Clause 19 (i);
 - (b) by flood, including waves, tides, tidal waves, tsunamis, or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results directly from fire, explosion, smoke, leakage from "fire protective equipment", all as described in Clause 19(i) or leakage from a watermain;
- exclusions (a) and (b) do not apply to property in transit;
- (c) (i) by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded in Clause 6.B. hereof;
 - (ii) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in Clause 6.B. hereof;
 - (d) by centrifugal force, mechanical or electrical breakdown or derangement in or on the "premises", unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
 - (e) by dampness or dryness of atmosphere, changes of temperature, contamination, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by "Named Perils", rupture of pipes or breakage of apparatus not excluded under paragraph (m) of Clause 6.A. hereof, theft or attempt thereat or accident to transporting conveyance. Damage to pipes caused by freezing is insured provided such pipes are not excluded in paragraph (m) of Clause 6.A. hereof;

- (f) by smoke from agricultural smudging or industrial operations;
- (g) by rodents, insects or vermin, but this exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in Clause 6.B. hereof;
- (h) by delay, loss of market, or loss of use or occupancy;
- (i) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
- (j)
 - (i) by any nuclear incident as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 - (ii) by contamination by radioactive material;
- (k) by any dishonest or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of the Insured, which results from a peril otherwise insured and not otherwise excluded under this form;
- (l) to "buildings" by:
 - (i) snowslide, landslide, subsidence or other earth movement, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from "fire protective equipment", all as described in Clause 19 (i);
 - (ii) explosion (except with respect to explosion of natural, coal, or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
 - a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - c) other vessels and apparatus and pipes connected therewith while under pressure, or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
 - d) moving or rotating machinery or parts thereof;
 - e) any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
 - f) gas turbines;
 - (iii) settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded in Clause 6.B. hereof;
- (m) proximately or remotely, arising in consequence of or contributed to by the enforcement of any by-law, regulation, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, which by-law, regulation, ordinance or law makes it impossible to repair or reinstate the property as it was immediately prior to the loss.

NOR DOES THIS FORM INSURE:

- (n) wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this form, resultant damage to the property is insured;
- (o) mysterious disappearance or shortage of "equipment" or "stock" disclosed on taking inventory;
- (p) loss or damage sustained to "equipment" or "stock" while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of "equipment" or "stock", unless fire or explosion as described in Clause 19(i) ensues and then only for such ensuing loss or damage;
- (q) disturbance or erasure of electronic recordings by electric or magnetic injury except by lightning.

C. POLLUTION EXCLUDED

This form does not insure against:

- (a) loss or damage caused directly or indirectly by any actual or alleged spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants", nor the cost or expense of any resulting "clean up", but this exclusion does not apply:
 - (i) if the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants" is the direct result of a peril not otherwise excluded under this form;
 - (ii) to loss or damage caused directly by a peril not otherwise excluded under this form;
- (b) cost or expense for any testing, monitoring, evaluating or assessing of an actual, alleged, potential or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

7. EXTENSIONS OF COVERAGE

The following extensions of coverage shall not increase the amounts of insurance applying under this form and are subject to all conditions of this form.

- (a) **Removal:** If any of the insured property is necessarily removed from the location(s) specified herein to prevent loss or damage or further loss or damage thereto, that part of the insurance under this form that exceeds the amount of the Insurer's liability for any loss already incurred shall, for 7 days only, or for the unexpired term of the policy if less than 7 days, insure the property removed and any property remaining in the location(s) specified herein in the proportions which the value of the property in each of the respective location(s) bears to the value of the property in them all.

- (b) (i) **Debris Removal:** The Insurer will indemnify the Insured for expenses incurred in the removal from the "premises" of debris of the property insured, occasioned by loss or damage to such property, for which loss or damage insurance is afforded under this form.

The amount payable under this extension shall not exceed 25% of the total amount payable for the direct physical loss to property insured plus the amount of the applicable deductible.

- (ii) **Removal of Windstorm Debris:** The Insurer will indemnify the Insured for expenses incurred in the removal of debris or other property which is not insured by this form but which has been blown by windstorm upon a location specified on the "Declarations Page".

Extensions of coverage b(i) and b(ii) do not apply to costs or expenses:

- (a) to "clean up" "pollutants" from land or water; or
 (b) for testing, monitoring, evaluating or assessing of an actual, alleged, potential, or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants".

Debris removal expense shall not be considered in the determination of actual cash value for the purpose of applying the Co-insurance Clause.

- (c) **Personal Property of Officers and Employees:** At the option of the Insured, "equipment" also includes personal property of officers and employees of the Insured. The insurance on such property:

- (i) shall not attach if it is insured by the owner unless the Insured is obliged to insure it or is liable for its loss or damage;
 (ii) is, in any event, limited to a maximum recovery of \$250 in respect of any one officer or employee;
 (iii) shall apply only to loss or damage occurring at a location specifically described on the "Declarations Page" or included in "Newly Acquired Location".

- (d) **"Building" Damage by Theft:** This form is extended to insure damage (except by fire) to that part of a "building" occupied by the Insured directly resulting from theft or any attempt thereat and from vandalism or malicious acts committed on the same occasion, provided the Insured is the owner of such "building" or is liable for such damage and the "building" is not otherwise insured hereunder. This extension of cover shall be limited to a maximum recovery of twenty-five hundred dollars (\$2,500.) in respect of any one loss. Glass and lettering or ornamentation thereon is excluded from this extension.

- (e) **Growing Plants, Trees, Shrubs or Flowers in the Open:** This form is extended to insure loss or damage to growing plants, trees, shrubs or flowers in the open caused directly by "Named Perils" (with the exception of windstorm or hail as described in clause 19 (i)(G)) or from theft or attempt thereat. This extension of coverage shall be limited to a maximum recovery of five hundred dollars (\$500.) for each growing plant, tree, shrub or flower in the open including debris removal expense.

8. PERMISSION

Permission is hereby granted:

- (a) for other insurance concurrent with this form;
 (b) to make additions, alterations or repairs;
 (c) to do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the Insured's business.

9. BREACH OF CONDITION

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this form, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the premises over which the Insured has no control.

10. REINSTATEMENT

Loss under any item of this form shall not reduce the applicable amount of insurance.

11. SUBROGATION

The Insurer, upon making any payment or assuming liability therefore under this form, shall be subrogated to all rights of recovery of the Insured against others and may bring action to enforce such rights. Notwithstanding the foregoing, all rights of subrogation are hereby waived against any corporation, firm, individual, or other interest with respect to which insurance is provided by this policy.

Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

Any release from liability entered into by the Insured prior to loss shall not affect the right of the Insured to recover.

12. PROPERTY PROTECTION SYSTEMS

It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any:

- (a) sprinkler or other fire extinguishing system; or
- (b) fire detection system; or
- (c) intrusion detection system;

and shall also notify forthwith the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

13. PREMIUM ADJUSTMENT

This clause is applicable if a specific amount of insurance is shown on the "Declarations Page" or the Statement of Values for "Stock".

If within six months after the expiry or anniversary date of each period of insurance, the Insured shall file with the Insurer a Premium Adjustment Application Form showing, for the said period, the actual cash value of the "stock" insured on the last day of each month at each location as commented upon by the Insured's Accountant, the actual premium for the said period shall then be calculated at the rate applying to each location for the average amount of the total values declared. If the premium paid by the Insured for such "stock" exceeds the actual premium thus calculated, the Insurer shall refund to the Insured any excess paid, subject to a maximum refund of 50% of the premium paid. In the event of any monthly declared values being in excess of the amount of insurance, the amount of the excess shall not be included in the premium adjustment calculations.

14. VERIFICATION OF VALUES

The Insurer or its duly appointed representative shall be permitted at all reasonable times during the term of this policy, or within a year after termination or expiration, to inspect the property insured and to examine the Insured's books, records and such policies as relate to any property insured hereunder. Such inspection or examination shall not waive nor in any manner affect any of the terms or conditions of this form.

15. VALUATIONS

For the purpose of calculating the total value of the property for the application of Co-Insurance, value reporting and for loss adjustment, the following valuation basis applies:

- (a) on unsold "stock" - the actual cash value of the property at the time any loss occurs, but in no event to exceed what it would cost to repair or replace with material of like kind and quality;
- (b) on sold "stock" - the selling price after allowance for discounts;
- (c) on property of others in the custody or control of the Insured for the purpose of performing work thereon - the amount for which the Insured is liable but in no event to exceed the actual cash value at the time and place of loss plus allowance for labour and materials expended to such time;
- (d) on tenant's improvements and records - as defined in paragraphs (a) and (b) of Clause 16;
- (e) on all other property insured under this form and for which no more specific conditions have been set out - the actual cash value at the time the loss or damage occurs but in no event to exceed what it would then cost to repair or replace with material of like kind and quality.

16. SPECIAL BASIS OF SETTLEMENT

(a) **Tenant's Improvements:** The liability of the Insurer shall be determined as follows:

- (i) if repaired or replaced with due diligence and dispatch, the amount actually and necessarily expended but in no event exceeding the actual cash value of the tenant's improvements immediately prior to the time of destruction or damage;
- (ii) if not repaired or replaced with due diligence and dispatch after such loss, that portion of the original cost of the damaged or destroyed tenant's improvements which the unexpired term of the lease at the time of loss bears to the period(s) from the date(s) such tenant's improvements were made to the expiration date of the lease.

(b) **Records:** The liability of the Insurer for loss or damage to:

- (i) books of accounts, drawings, card index systems and other records, other than as described in (ii) below, shall not exceed the cost of blank books, blank pages or other materials, plus the cost of labour for actually transcribing or copying said records;
- (ii) media, data storage devices, and programme devices for electronic and electro-mechanical data processing or for electronically controlled equipment, shall not exceed the cost of reproducing such media, data storage devices, and programme devices from duplicates or from originals of the previous generation of the media, but no liability is assumed hereunder for the cost of gathering or assembling information or data for such reproduction.

Whichever of the above is applicable shall be the basis to be adopted for the purpose of applying Co-Insurance.

17. PROPERTY OF OTHERS

At the option of the Insurer, any loss may be paid to the Insured or adjusted with and paid to the customer or the owner of the property.

18. LOCKED VEHICLE WARRANTY

This clause does not apply to property which is under the control of a common carrier.

Warranted by the Insured that any vehicle in which the property insured is carried is equipped with a fully enclosed metal body or compartment, and the Insurer shall be liable in case of loss by theft from an unattended vehicle only as a direct result of forcible entry (of which there shall be visible evidence) into such body or compartment the doors and windows of which shall have been securely locked.

19. DEFINITIONS

Wherever used in this form:

- (a) **"Declarations Page"** means the Declarations Page applicable to this form.
- (b) **"Building"** means:
 - the building(s) described on the "Declarations Page" and includes:
 - (i) fixed structures pertaining to the building(s) and located on the "premises";
 - (ii) additions and extensions communicating and in contact with the building(s);
 - (iii) permanent fittings and fixtures attached to and forming part of the building(s);
 - (iv) materials, equipment and supplies on the "premises" for maintenance of, and normal repairs and minor alterations to the "building" or for building services;
 - (v) growing plants, trees, shrubs or flowers inside the "building" used for decorative purposes when the Insured is the owner of the "building".
- (c) **"Equipment"** means:
 - (i) generally all contents usual to the Insured's business including furniture, furnishings, fittings, fixtures, machinery, tools, utensils and appliances other than "building" or "stock" as herein defined;
 - (ii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
 - (iii) tenant's improvements which are defined as building improvements, alterations and betterments made at the expense of the Insured to a "building" occupied by the Insured and which are not otherwise insured, provided the Insured is not the owner of such "building". If the Insured purchased the use interest in tenant's improvements made by a predecessor tenant, this form applies as though such tenant's improvements had been made at the expense of the Insured;
- (d) **"Stock"** means:
 - (i) merchandise of every description usual to the Insured's business;
 - (ii) packing, wrapping and advertising materials; and
 - (iii) similar property belonging to others which the Insured is under obligation to keep insured or for which he is legally liable;
- (e) **"Premises"** means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Declarations Page" and in or on vehicles within 100 metres (328 feet) of such locations.
- (f) **"Fire Protective Equipment"** includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
 - (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - (ii) any watermains or appurtenances located outside of the described "premises" and forming a part of the public water distribution system;
 - (iii) any pond or reservoir in which the water is impounded by a dam.
- (g) **"Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- (h) **"Clean Up"** means the removal, containment, treatment, decontamination, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- (i) **"Named Perils"** means:
 - (A) **FIRE OR LIGHTNING**
 - (B) **EXPLOSION:** Except with respect to explosion of natural, coal or manufactured gas, there shall in no event be any liability hereunder for loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
 - (i)
 - (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
 - (d) smelt dissolving tanks;
 - (ii) other vessels and apparatus, and pipes connected therewith, while under pressure, or while in use or in operation, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure except that liability is specifically assumed for loss or damage resulting from the explosion of manually portable gas cylinders;

- (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
- (iv) any vessels and apparatus and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property insured hereunder that has been damaged by such explosion;
- (v) gas turbines;

The following are not explosions within the intent or meaning of this section:

- (a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
- (b) bursting or rupture caused by hydrostatic pressure or freezing;
- (c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.

- (C) **IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE:** The terms "Aircraft" and "Spacecraft" include articles dropped therefrom.

There shall in no event be any liability hereunder due to cumulative damage or for loss or damage:

- (i) caused by land vehicles belonging to or under the control of the Insured or any of his employees;
- (ii) to aircraft, spacecraft or land vehicles causing the loss;
- (iii) caused by any aircraft or spacecraft when being taxied or moved inside or outside of "buildings".

- (D) **RIOT, VANDALISM OR MALICIOUS ACTS:** The term Riot includes open assemblies of strikers inside or outside the "premises" who have quitted work and of locked-out employees.

There shall in no event be any liability hereunder for loss or damage:

- (i) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
- (ii) due to flood or release of water impounded by a dam, or due to any explosion other than an explosion in respect of which there is insurance under Clause 19(i)(B);
- (iii) due to theft or attempt thereat.

- (E) **SMOKE:** The term "Smoke" means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for any cumulative damage.

- (F) **LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT:** The term Leakage From Fire Protective Equipment means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the "premises" described on the "Declarations Page" or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.

- (G) **WINDSTORM OR HAIL:** There shall in no event be any liability hereunder for loss or damage:

- i) to the interior of the "buildings" insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
- (ii) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.

This extension modifies coverage provided by forms PBF01 and PNP01, but only if indicated on the Declarations Page for the form.

1. The Insurer agrees to amend the basis of settlement from actual cash value to replacement cost subject to the following provisions:
 - (a) replacement shall be effected by the Insured with due diligence and dispatch;
 - (b) replacement shall be on the same site or on an adjacent site;
 - (c) settlement on a replacement cost basis shall be made only when replacement has been effected by the Insured and in no event shall it exceed the amount actually and necessarily expended for such replacement;
 - (d) failing compliance by the Insured with any of the foregoing provisions, settlement shall be made as if this extension had not been in effect;
 - (e) any other insurance effected by or on behalf of the Insured in respect of the perils insured against by this Policy on the property to which this extension is applicable shall be on the basis of replacement cost as defined herein;
 - (f) this extension applies separately to each item(s) listed above.
2. Any reference to actual cash value in a co-insurance clause in this Policy is deemed to be a reference to replacement cost of the property insured.
3. In this extension,
 - (a) "replacement cost" means the cost of replacing, repairing, constructing or re-constructing (whichever is the least) the property on the same site with new property of like kind and quality and for like occupancy without deduction for depreciation; and
 - (b) "replacement" includes repair, construction or re-construction with new property of like kind and quality.
4. In the event that new property of like kind and quality is not obtainable, new property which is as similar as possible to that damaged or destroyed and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this extension.
5. **EXCLUSIONS**
This extension does not apply to
 - (a) stock;
 - (b) patterns, dies, moulds;
 - (c) paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelain, rare glassware, bric-a-brac or other articles of art, rarity or antiquity;
 - (d) manuscripts and records meaning books of account, drawings, card index systems and other records, media, data storage devices, and programme devices for electronic electro-mechanical data processing or for electronically controlled equipment;
 - (e) any increase in the cost of replacement occasioned by a restriction or prohibition in any by-law, regulation, ordinance or law.
6. If **Restricted to locations** is indicated on the Declarations Page applicable to this extension, replacement cost coverage is restricted to the locations so indicated.

All other terms and conditions of this Policy remain unchanged.

This extension modifies coverage provided by forms PBF01 and PNP01, but only if indicated on the Declarations Page for the form.

This insurance is hereby extended to include loss or damage caused directly by the backing-up of sewers, sumps, septic tanks or drains.

This extension does not insure damage caused by continuous or repeated seepage or leakage; the escape, overflow, or backing-up of water from sewers due to rising or overflowing of streams or other bodies of water; or occurring while the building is under construction or is vacant, even though permission may have been given for construction or vacancy.

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against under this extension exceeds in any one occurrence the deductible amount, if any, specified on the Declarations Page applicable to this extension.

The Insurer is not liable for loss or damage caused by any of the perils insured against in any one occurrence in excess of the sub-limit, if any, specified on the Declarations Page applicable to this extension.

If **Restricted to locations** is indicated on the Declarations Page applicable to this extension, sewer back-up coverage is restricted to the locations so indicated.

All other terms and conditions of this policy remain unchanged.

1. INDEMNITY AGREEMENT

The Insurer will indemnify the Insured for

- A. expenses incurred to "clean up" "pollutants" at the "premises", and
- B. loss or damage to property insured caused directly by "pollutants" provided the spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
 - (a) is sudden, unexpected and unintended from the standpoint of the Insured,
 - (b) is not otherwise insured under the form to which this extension is attached, and
 - (c) first occurs during the policy period.

2. LIMIT OF INSURANCE

The maximum amount of insurance under this extension during any one policy period shall not exceed in the aggregate, the Limit specified on the Declarations Page for this extension.

3. NO AUTOMATIC REINSTATEMENT

Notwithstanding the Reinstatement Clause in the form to which this extension is attached, following a loss under this extension the Limit of Liability specified on the Declarations Page for this extension will be reduced by the amount payable.

4. DEDUCTIBLE

The Insurer is liable for the amount by which the expenses exceed the amount of the deductible, if any, specified on the "Declarations Page" in any one occurrence.

5. ADDITIONAL EXCLUSION

The Insurer shall not be liable for:

- (a) expenses for "clean up" away from or beyond the "premises" resulting from any spill, discharge, emission, dispersal, seepage, leakage, migration release or escape of "pollutants", even if the "pollutants" emanated from the "premises";
- (b) expenses for "clean up" of or loss or damage to insured property caused directly by any spill, discharge, emission, dispersal, seepage, leakage, release, migration or escape of "pollutants" that began before the effective date of this extension;
- (c) fines, penalties, punitive or exemplary damages;
- (d) expenses incurred for the "clean up" of "pollutants" at or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste.

6. ADDITIONAL POLICY CONDITIONS

A. REPORTING PERIOD

It is a condition precedent to recovery under this extension that all expenses insured by this extension must be incurred and reported to the Insurer within 180 days of the spill, discharge, emission, dispersal, seepage, leakage, release, migration, or escape of "pollutants" for which "clean up" expenses are being claimed.

B. OTHER INSURANCE

The insurance afforded by this extension shall apply as excess over any other valid and collectible insurance available to the Insured or any other interested party.

7. DEFINITIONS

Wherever used in this extension:

- (a) "**Declarations Page**" means the Declarations Page, applicable to the form to which this extension is attached.
- (b) "**Clean up**" means the removal, containment, treatment, detoxification, stabilization, neutralization or remediation of "pollutants", including testing which is integral to the aforementioned processes.
- (c) "**Premises**" means the entire area within the property lines and areas under adjoining sidewalks and driveways at the locations described on the "Declarations Page".
- (d) "**Pollutants**" means any solid, liquid, gaseous or thermal irritant or contaminant, including odour, vapour, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

8. LOCATION RESTRICTION

If **Restricted to locations** is indicated on the Declarations Page applicable to this extension, pollution coverage is restricted to the locations so indicated.

All other terms and conditions of this policy remain unchanged.

WORDS AND PHRASES IN QUOTATION MARKS HAVE SPECIAL MEANING AS DEFINED IN CLAUSE 16**1. INDEMNITY AGREEMENT**

The Insurer shall pay to the Insured the loss of "Rental Income" suffered during the "Indemnity Period" as a direct result of "Damage", in accordance with the terms and conditions of this Form.

2. LIMITS OF INSURANCE

The Insurer, regardless of the number of persons and interests insured under this Form, shall not be liable for more than the applicable amount of insurance specified on the "Declarations Page".

3. CO-INSURANCE

The Insurer shall not be liable for a greater proportion of any loss than the amount of insurance specified on the "Declarations Page" bears to 80% of the "Annual Rental Income".

4. PERILS INSURED

The perils insured against are all risks except as otherwise excluded in this Form.

5.A. EXCLUSIONS

The Insurer shall not be liable for loss of "Rental Income" resulting from loss of or damage to:

- (a) sewers, drains or watermain located beyond the outside bearing walls or foundations of the property insured, outside communication towers, antennae (including satellite receivers) and equipment attached thereto, streetclocks, exterior signs, exterior glass or vitrolite and lettering or ornamentation thereon, but this exclusion does not apply to loss or damage caused directly by "Named Perils";
- (b) property at locations which to the knowledge of the insured, are vacant, unoccupied or shut down for more than thirty (30) consecutive days;
- (c) electrical devices, appliances or wiring caused by artificially generated electrical currents, including arcing, unless fire or explosion as described in Clause 16 (d) ensues and then only for such ensuing loss or damage;
- (d) growing plants, trees, shrubs or flowers, all while in the open;
- (e) animals, fish or birds, but this exclusion does not apply to loss or damage caused directly by "Named Perils" or from theft or attempt thereat;
- (f) money, bullion, platinum and other precious metals and alloys, securities, stamps, tickets and tokens, evidence of debt or title;
- (g) automobiles, watercraft, amphibious or air cushion vehicles, aircraft, spacecraft, trailers, motors and other accessories attached to or mounted on such property, but this exclusion shall not apply to watercraft, amphibious or air cushion vehicles held for sale, unlicensed automobiles or unlicensed trailers used in the business of the Insured when on the "Premises" of the Insured;
- (h) furs, fur garments, jewels, jewellery, costume jewellery, watches, pearls, precious and semi-precious stones, and pre-recorded video tapes but this exclusion does not apply to any loss or damage caused directly by "Named Perils";
- (i) property insured under the terms of any Marine Insurance, and property while waterborne;
- (j) property illegally acquired, kept, stored or transported; property seized or confiscated for breach of any law or by order of any public authority;
- (k)
 - (i) any pressure vessel having normal internal working pressure greater than 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (ii) any boiler, including the piping and equipment connected thereto, which contains steam or water under steam pressure (except tanks having an internal diameter of 610 millimetres (24 inches) or less used for the storage of hot water for domestic use);caused directly or indirectly by explosion, rupture, bursting, cracking, burning out or bulging of such property while connected ready for use, but this exclusion does not apply to:
 - (1) manually portable gas cylinders;
 - (2) explosion of natural, coal or manufactured gas;
 - (3) explosion of gas or unconsumed fuel within a furnace or within the gas passages therefrom to the atmosphere.

Additionally the Insurer shall not be liable for:

- (l) any increase of loss directly or indirectly, proximately or remotely, resulting from, or contributed to by, the operation of any by-law, ordinance or law regulating zoning or the demolition, repair or construction of buildings or structures, unless the liability is otherwise specifically assumed by endorsement hereon;
- (m) any increase of loss caused by delays or loss of time due to the presence of strikers or other persons or to labour disturbances on or about the "Premises" interfering with the rebuilding, repairing, or replacing the property damaged or destroyed or the resumption or continuation of business or free access to or control of the "Premises" or due to the action of sympathetic strikers elsewhere;
- (n) loss due to the suspension, lapse or cancellation of any lease or license, contract or order, which may affect, the Insured's income after the period following any loss during which indemnity is payable.

5.B. PERILS EXCLUDED

The Insurer shall not be liable for loss of "Rental Income" resulting from loss or damage caused directly or indirectly:

- (a) by earthquake, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment, all as described in Clause 16 (d);
 - (b) by flood, including waves, tides, tidal waves, tsunamis, or the rising of, the breaking out or the overflow of, any body of water, whether natural or man-made, but this exclusion does not apply to ensuing loss or damage which results directly from fire, explosion, smoke, leakage from fire protective equipment, all as described in Clause 16 (d) or leakage from a watermain;
 - (c) (i) by seepage, leakage or influx of water derived from natural sources through basement walls, doors, windows or other openings therein, foundations, basement floors, sidewalks, sidewalk lights, or by the backing up of sewers, sumps, septic tanks or drains, unless concurrently and directly caused by a peril not otherwise excluded in Clause 5.B. hereof;
(ii) by the entrance of rain, sleet or snow through doors, windows, skylights or other similar wall or roof openings unless through an aperture concurrently and directly caused by a peril not otherwise excluded in Clause 5.B. hereof;
 - (d) by centrifugal force, mechanical or electrical breakdown or derangement in or on the "Premises", unless fire ensues and then only for the loss or damage caused directly by such ensuing fire;
 - (e) by dampness or dryness of atmosphere, changes of temperature, freezing, heating, shrinkage, evaporation, loss of weight, leakage of contents, exposure to light, contamination, pollution, change in colour or texture or finish, rust or corrosion, marring, scratching or crushing, but this exclusion does not apply to loss or damage caused directly by "Named Perils", rupture of pipes or breakage of apparatus not excluded under paragraph (k) of Clause 5.A. hereof or theft or attempt thereat. Damage to pipes caused by freezing is insured provided such pipes are not excluded in paragraph (k) of Clause 5.A. hereof;
 - (f) by smoke from agricultural smudging or industrial operations;
 - (g) by rodents, insects or vermin, but this exclusion does not apply to loss or damage caused directly by a peril not otherwise excluded in Clause 5.B. hereof;
 - (h) by war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power;
 - (i) caused by any nuclear incident (as defined in the Nuclear Liability Act or any other nuclear liability act, law or statute, or any law amendatory thereof) or nuclear explosion, except for ensuing loss or damage which results directly from fire, lightning or explosion of natural, coal or manufactured gas;
 - (j) caused by contamination by radioactive material;
 - (k) by any dishonest or criminal act on the part of the Insured or any other party of interest, employees or agents of the Insured, or any person to whom the property may be entrusted (bailees for hire excepted), but this exclusion does not apply to physical damage, caused directly by employees of the Insured, which results from a peril otherwise insured and not otherwise excluded under this Form;
 - (l) by snowslide, landslide, subsidence or other earth movement, except for ensuing loss or damage which results directly from fire, explosion, smoke or leakage from fire protective equipment, all as described in Clause 16 (d);
 - (m) by explosion (except with respect to explosion of natural, coal or manufactured gas), collapse, rupture, bursting, cracking, burning out or bulging of the following property owned, operated or controlled by the Insured, unless fire ensues and then only for the loss or damage caused directly by such ensuing fire:
 - (i) the portions containing steam or water under steam pressure of all boilers generating steam and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - (ii) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (iii) other vessels and apparatus and pipes connected therewith while under pressure, or while in use or in operation provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure but this exclusion does not apply to loss or damage resulting from the explosion of manually portable gas cylinders or of tanks having an internal diameter of 610 millimetres (24 inches) or less used for the heating and storage of hot water for domestic use;
 - (iv) moving or rotating machinery or parts thereof;
 - (v) any vessels and apparatus and pipes connected therewith while undergoing pressure tests but this exclusion does not apply to other property insured hereunder that has been damaged by such explosion;
 - (vi) gas turbines;
 - (n) by settling, expansion, contraction, moving, shifting or cracking unless concurrently and directly caused by a peril not otherwise excluded in Clause 5.B. hereof;
- Nor shall the Insurer be liable for loss of "Rental Income" resulting directly or indirectly from:
- (o) wear and tear, gradual deterioration, latent defect, inherent vice, or the cost of making good faulty or improper material, faulty or improper workmanship, faulty or improper design, provided, however, to the extent otherwise insured and not otherwise excluded under this Form, loss of "Rental Income" resulting from resultant damage to the property is insured;
 - (p) mysterious disappearance or shortage disclosed on taking inventory;
 - (q) loss or damage sustained to contents while actually being worked upon and directly resulting therefrom or caused by any repairing, adjusting or servicing of contents, unless fire or explosion as described in Clause 16 (d) ensues and then only for loss of "Rental Income" resulting from such ensuing loss or damage;
 - (r) disturbance or erasure of electronic recordings by electric or magnetic injury except lightning.

6. DETERMINATION OF PAYMENT

This insurance, subject to the limit of the amount of insurance stated on the "Declarations Page", is limited to (a) Loss of "Rental Income" and (b) Increase in Cost of Operations and the amount payable will be

- (a) IN RESPECT OF LOSS OF "RENTAL INCOME": The amount by which the "Rental Income" during the "Indemnity Period" shall, in consequence of the "Damage", fall short of the "Expected Rental Income";
- (b) IN RESPECT OF INCREASE IN COST OF OPERATIONS: The additional expenditure necessarily incurred for the sole purpose of avoiding or diminishing the loss of "Rental Income" which but for that expenditure would have taken place during the "Indemnity Period" in consequence of the "Damage", but not exceeding the reduction of "Rental Income" thereby avoided; less any sum saved during the "Indemnity Period" in respect of such charges and expenses payable out of "Rental Income" as may cease or be reduced in consequence of the "Damage".

7. INTERRUPTION BY CIVIL AUTHORITY

This Form, subject to its terms and conditions, is extended to insure the loss of "Rental Income" suffered by the Insured during the period of time, not exceeding two weeks, while access to the "Premises" is prohibited by order of civil authority, but only when such order is given as a direct result of damage to neighboring premises by a peril insured against under this Form.

8. ACCOUNTANTS' FEES

The Insurer will pay to the Insured the reasonable charges payable by the Insured to their professional accountants for producing such particulars or details or other proofs, information or evidence as may be required by the Insurer for the purpose of investigating or verifying any claim hereunder and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

The amount payable under this clause shall in no case exceed \$2,000.00 (or such other amount specified on the "Declarations Page" for accountants' fees).

9. PERMISSION

Permission is hereby granted:

- (a) for other insurance concurrent with this Form;
- (b) to make additions, alterations or repairs;
- (c) to do such work and to keep and use such articles, materials, and supplies in such quantities as are usual or necessary to the Insured's business.

10. BREACH OF CONDITIONS

Where a loss occurs and there has been a breach of condition relating to a matter before the happening of the loss, which breach would otherwise disentitle the Insured from recovery under this Form, the breach shall not disentitle the Insured from recovery if the Insured establishes that the loss was not caused or contributed to by the breach of condition or if the breach of condition occurred in any portion of the premises over which the Insured has no control.

11. REINSTATEMENT

Loss under any item of this Form shall not reduce the applicable amount of insurance.

12. SUBROGATION

The Insurer, upon making any payment or assuming liability therefor under this Form shall be subrogated to all rights of recovery of the Insured against others and may bring action to enforce such rights. Notwithstanding the foregoing, all rights of subrogation are hereby waived against any corporation, firm, individual, or other interest with respect to which insurance is provided by this Form. Where the net amount recovered, after deducting the costs of recovery, is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportion in which the loss or damage has been borne by them respectively.

Any release from liability entered into by the Insured prior to damage shall not affect the right of the Insured to recover.

13. PROPERTY PROTECTION SYSTEMS

It is agreed that the Insured shall notify forthwith the Insurer of any interruption to, or flaw or defect, coming to the knowledge of the Insured, in any

- (a) sprinkler or other fire extinguishing system; or
- (b) fire detection system; or
- (c) intrusion detection system;

and shall also notify forthwith the Insurer of the cancellation or non-renewal of any contract which provides monitoring or maintenance services to any of these systems or of the notification of the suspension of police service in response to any of these systems.

14. ALTERNATE ACCOMMODATION

If during the "Indemnity Period" alternate accommodation shall be provided elsewhere than at the "Premises", either by the Insured or by others on the Insured's behalf, the money paid or payable in respect of such accommodation shall be brought into account in arriving at the "Rental Income" during the "Indemnity Period".

15. PREMIUM ADJUSTMENT

If within 12 months after the expiry of anniversary date of this policy the Insured shall file with the Insurer a premium adjustment application Form showing that 80% of "Rental Income" as defined herein, certified by the Insured's auditors as earned during the Insured's financial year most nearly concurrent with the annual term of the policy

was less than the total amount of insurance on "Rental Income" under this Form,

then the Insurer will allow in respect of the difference a return of premium not exceeding 50% of the premium paid by the Insured under this Form in respect of such "Rental Income".

The Insurer reserves the right to inspect the Insured's books and records which relate to this insurance for verification of any statement filed for the purpose of adjusting the premium of this insurance.

16. DEFINITIONS

- (a) **"Damage"** means the direct physical loss of or damage to property at the "Premises" from a Peril Insured.
- (b) **"Declarations Page"** means the Declarations Page applicable to this Form.
- (c) **"Indemnity Period"** means the period beginning with the occurrence of the "Damage" and ending not later than such length of time, not exceeding 12 consecutive calendar months, as would be required with exercise of due diligence and dispatch to rebuild, repair or replace the lost or damaged property. However, if media for, or programming records pertaining to, electronic data processing or electronically controlled equipment including data thereon be lost or damaged by a peril insured against then the "Indemnity Period" in respect thereof shall not extend beyond:
 - (i) 30 consecutive days after the occurrence of such "Damage"; or
 - (ii) the date upon which liability ceases under this Form for loss arising from other property lost or damaged by the same occurrence;
 whichever shall be the later.
- (d) **"Named Perils"** means:
 - (A) FIRE OR LIGHTNING
 - (B) EXPLOSION: Except with respect to explosion of natural, coal, or manufactured gas, there shall in no event be any liability hereunder for loss of "Rental Income" resulting from loss or damage caused by explosion, rupture or bursting in or of the following property owned, operated or controlled by the Insured:
 - (i) (a) the portions containing steam or water under steam pressure of all boilers generating steam, and piping or other equipment connected to said boilers and containing steam or water under steam pressure;
 - (b) piping and apparatus or parts thereof normally containing steam or water under steam pressure from an external source and while under such pressure;
 - (c) the combustion chambers or fire boxes of steam generating boilers of the chemical recovery type and the flues or passages which conduct the gases of combustion therefrom;
 - (d) smelt dissolving tanks;
 - (ii) other vessels and apparatus, and pipes connected therewith, other than manually portable gas cylinders, while under pressure, or while in use or in operations, provided their maximum normal internal working pressure exceeds 103 kilopascals (15 pounds per square inch) above atmospheric pressure;
 - (iii) moving or rotating machinery or parts of same when such loss or damage is caused by centrifugal force or mechanical breakdown;
 - (iv) any vessels and apparatus, and pipes connected therewith while undergoing pressure tests, but this exclusion shall not apply to other property that has been damaged by such explosion;
 - (v) gas turbines.
 The following are not explosions within the intent or meaning of this section:
 - (a) electric arcing or any coincident rupture of electrical equipment due to such arcing;
 - (b) bursting or rupture caused by hydrostatic pressure or freezing;
 - (c) bursting or rupture of any safety disc, rupture diaphragm or fusible plug.
 - (C) IMPACT BY AIRCRAFT, SPACECRAFT OR LAND VEHICLE: The terms aircraft and spacecraft include articles dropped therefrom.
 There shall in no event be any liability hereunder for loss of "Rental Income" due to cumulative damage or for loss of "Rental Income" resulting from loss or damage:
 - (i) caused by land vehicles belonging to or under the control of the Insured or any of his employees;
 - (ii) to aircraft, spacecraft or land vehicles causing the loss;
 - (iii) caused by any aircraft or spacecraft when being taxied or moved inside or outside of buildings.
 - (D) RIOT, VANDALISM OR MALICIOUS ACTS: The term riot includes open assemblies of strikers inside or outside the "Premises" who have quitted work and of locked-out employees.
 There shall in no event be any liability hereunder for loss of "Rental Income" resulting from loss or damage:
 - (i) due to cessation of work or by interruption to process or business operations or by change(s) in temperature;
 - (ii) due to flood or release of water impounded by a dam, or due to any explosion other than any explosion in respect of which there is insurance under Clause 16 (d) (B);
 - (iii) due to theft or attempt thereat.

- (E) **SMOKE**: means smoke due to a sudden, unusual and faulty operation of any stationary furnace. There shall in no event be any liability hereunder for loss of "Rental Income" due to cumulative damage.
- (F) **LEAKAGE FROM FIRE PROTECTIVE EQUIPMENT**: means the leakage or discharge of water or other substance from within the equipment used for fire protection purposes for the "Premises" described on the "Declarations Page" or for adjoining premises and loss or damage caused by the fall or breakage or freezing of such equipment.
Fire Protective Equipment includes tanks, watermains, hydrants, valves and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:
- (i) branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
 - (ii) any watermains or appurtenances located outside of the described "Premises" and forming a part of the public water distribution system;
 - (iii) any pond or reservoir in which the water is impounded by a dam.
- (G) **WINDSTORM OR HAIL**: There shall in no event be any liability hereunder for loss of "Rental Income" resulting from loss or damage:
- (i) to the interior of the buildings insured or their contents unless damage occurs concurrently with and results from an aperture caused by windstorm or hail;
 - (ii) directly or indirectly caused by any of the following, whether driven by wind or due to windstorm or not: snow-load, ice-load, tidal wave, tsunamis, high water, overflow, flood, waterborne objects, waves, ice, land subsidence, landslide.
- (e) **"Premises"** means the entire area within the property lines and areas under adjoining sidewalks and driveways at the location(s) described on the "Declarations Page" and in or on vehicles within 100 metres (328 feet) of such location(s).
- (f) **"Rental Income"** means the sum of the money paid or payable to the Insured by tenants in respect of rental of the "Premises" plus a fair rental value of the proportion(s), if any, of the building(s) occupied by the insured.
- (g) **"Annual Rental Income"** means
"Rental Income" during the twelve months immediately before the date of the "Damage".
} to which such adjustments shall be made as may be
} necessary to provide for the trend and variations
} in or other circumstances affecting "Rental Income"
} either before or after the "Damage" or which would
- (h) **"Expected Rental Income"** means
the "Rental Income" during the period
corresponding with the "Indemnity
Period" in the twelve months
immediately before the date of the
"Damage"
} have affected the "Rental Income" had the "Damage"
} not occurred so that the figures thus adjusted
} shall represent as nearly as may be reasonably
} practicable the results which but for the "Damage"
} would have been obtained during the relative
} period after the "Damage".

Rental Income Sewer Back-up Extension

RISBU

This extension modifies coverage provided by form RI01, RI02, BEE but only if indicated on the Declarations Page for the form.

This insurance is hereby extended to include loss or damage caused directly by the backing-up of sewers, sumps, septic tanks or drains.

This extension does not insure damage caused by continuous or repeated seepage or leakage; the escape, overflow, or backing-up of water from sewers due to rising or overflowing of streams or other bodies of water; or occurring while the building is under construction or is vacant, even though permission may have been given for construction or vacancy.

The Insurer is liable for the amount by which the loss or damage caused by any of the perils insured against under this extension exceeds in any one occurrence the deductible amount, if any, specified on the Declarations Page applicable to this extension.

The Insurer is not liable for loss or damage caused by any of the perils insured against in any one occurrence in excess of the sub-limit, if any, specified on the Declarations Page applicable to this extension.

If **Restricted to locations** is indicated on the Declarations Page applicable to this extension, sewer back-up coverage is restricted to the locations so indicated.

All other terms and conditions of this policy remain unchanged.

Vandalism by Tenants Restriction Endorsement

PVR01

This exclusion modifies coverage provided by form PBF01 and CR1, but only if indicated on the Declarations Page for the form.

It is hereby understood and agreed that this policy shall specifically exclude loss or damage resulting from Vandalism or Malicious Acts caused by Tenants or their guests residing within the insured premises that exceed the limit shown on the declaration with respect to this form.

This restriction does not apply to loss or damage caused directly or indirectly by resultant fire.

If **Restricted to locations** is indicated on the Declarations Page applicable to this exclusion, the exclusion applies only to those locations listed.

All other terms and conditions of this policy remain unchanged.

This extension modifies coverage provided by forms PBF01, PNP01, and PBR01 but only if indicated on the Declarations Page for the form.

This insurance is hereby extended to include loss or damage caused directly by the peril of earthquake subject to the following conditions:

1. EARTHQUAKE

For the purpose of this extension, earthquake shall include snowslide, landslide or other earth movements occurring concurrently with and directly resulting from an earthquake shock.

Each loss caused by earthquake shall constitute a single claim hereunder, provided that more than one earthquake shock occurring within any one hundred-sixty eight consecutive hours (168) during the term of this policy shall be deemed a single earthquake within the meaning hereof. Notwithstanding the foregoing, this Insurer shall not be liable for any loss or damage caused by any earthquake shock occurring before this extension becomes effective nor for any loss or damage caused by any earthquake shock occurring after the expiration of this policy.

2. DEDUCTIBLE AND LIMIT

The Insurer is liable for the amount by which the loss or damage caused by earthquake exceeds the amount of the deductible, if any, specified on the Declarations Page applicable to this extension in any one occurrence. If a percentage is specified as **Deductible percentage**, the amount of the deductible shall be that percentage of the actual cash value (or for those items subject to a replacement cost extension), the replacement cost of the insured property or interest. If an amount is specified as **Deductible minimum amount**, the minimum deductible to apply is the amount so specified.

If **Deductible applies separately for each location insured** is indicated on the Declarations Page applicable to this extension, the deductible applies accordingly.

Further, coverage under this extension is restricted to the limit, if any, specified on the Declarations Page applicable to this extension in any one occurrence.

3. EXCLUSIONS

This extension does not cover loss or damage caused directly or indirectly by any of the following perils whether or not caused by or attributable to earthquake: fire, explosion, smoke, leakage from fire protective equipment, theft, vandalism and malicious acts, flood of any nature, waves, tidal waves, high water, waterborne objects or ice.

4. EXTENSIONS OF COVERAGE

The Insurer shall be liable for loss or damage to the property insured, caused by wind, hail, rain or snow entering a building through an opening in the roof or walls directly resulting from an earthquake.

5. PRO RATA CLAUSE

The Insurer shall only be liable for that proportion of a loss payable under this extension which the amount insured hereunder bears to the total amount of insurance covering the peril of fire on the same property. If the policy covers two or more items this provision shall apply to each item separately.

6. ANNUAL AGGREGATE LIMIT

Notwithstanding the Limits of Liability specified elsewhere in this policy, it is understood and agreed that, for this extension of coverage, the Annual Aggregate Limit of Liability, if any, shall be the amount stipulated on the Declarations Page applicable to this extension as **Annual aggregate limit**.

All other terms and conditions of this policy remain unchanged.

This extension modifies coverage provided by forms PBF01, PNP01, and PBR01 but only if indicated on the Declarations Page for the form.

This insurance is hereby extended to include loss or damage caused directly by the peril of flood subject to the following conditions:

1. FLOOD

For the purpose of this extension, flood shall mean the rising of, the breaking out or the overflow of any body of water whether natural or man-made and includes waves, tides and tidal waves.

2. DEDUCTIBLE AND LIMIT

The Insurer is liable for the amount by which the loss or damage caused by flood exceeds the amount of the deductible, if any, specified on the Declarations Page applicable to this extension in any one occurrence.

Further, coverage under this extension is restricted to the limit, if any, specified on the Declarations Page applicable to this extension in any one occurrence.

3. EXCLUSIONS

This extension does not cover loss or damage caused directly or indirectly by:

- (a) water which backs up through sewers, sumps, septic tanks or drains;
- (b) water below the surface of the ground including that which exerts pressure on or flows, seeps or leaks through sidewalks, driveways, foundations, walls, basement or other floors, or through doors, windows or other openings in such sidewalks, driveways, foundations, walls or floors;
- (c) any of the following perils whether or not caused by or attributable to flood: fire, explosion, smoke, "leakage from fire protective equipment" or leakage from a watermain, theft, riot, vandalism or malicious acts.

4. EXTENSIONS OF COVERAGE

The Insurer shall be liable for loss or damage to the property insured caused by wind, hail, rain or snow entering a building through an opening in the roof or walls directly resulting from a flood.

5. PRO RATA CLAUSE

The Insurer shall only be liable for that proportion of a loss payable under this extension which the amount insured hereunder bears to the total amount of insurance covering the peril of fire on the same property. If the policy covers two or more items, this provision shall apply to each item separately.

6. ANNUAL AGGREGATE LIMIT

Notwithstanding the Limits of Liability specified elsewhere in this policy, it is understood and agreed that, for this extension of coverage, the Annual Aggregate Limit of Liability, if any, shall be the amount stipulated on the Declarations Page applicable to this extension as **Annual aggregate limit**.

7. If **Restricted to locations** is indicated on the Declarations Page applicable to this extension, flood coverage is restricted to the locations so indicated.

All other terms and conditions of this policy remain unchanged.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under Paragraph 3. of Section II – Who is an Insured. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY and PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:
 - (1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for "compensatory damages" because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. "Compensatory damages" because of "bodily injury" include "compensatory damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

- a. **Expected or Intended Injury**
"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.
- b. **Contractual Liability**
"Bodily injury" or "property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":
 - (1) That the insured would have in the absence of the contract or agreement; or
 - (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be "compensatory damages" because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such legal fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "compensatory damages" to which this insurance applies are alleged.
- c. **Workers' Compensation and Similar Laws**
Any obligation of the insured under a workers' compensation, disability benefits or unemployment or employment compensation law or any similar law.
- d. **Employer's Liability**
"Bodily injury" to:
(1) An "employee" of the insured arising out of and in the course of:
(a) Employment by the insured; or
(b) Performing duties related to the conduct of the insured's business; or
(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph 2. d. (1) above.
This exclusion applies:
(i) Whether the insured may be liable as an employer or in any other capacity; and
(ii) To any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury.
This exclusion does not apply to:
(a) Liability assumed by the insured under an "insured contract"; or
(b) A claim made or an "action" brought by a Canadian resident "employee" on whose behalf contributions are made by or required to be made by you under the provisions of any Canadian provincial or territorial workers' compensation law, if cover or benefits have been denied by any Canadian Workers' Compensation Authority.
- e. **Aircraft or Watercraft**
"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others by or on behalf of any insured of:
(i) Any aircraft, air cushion vehicle or watercraft owned or operated by or rented or loaned to any insured; or
(ii) Any premises for the purpose of an airport or aircraft landing area and all operations necessary or incidental thereto.
Use includes operation and "loading or unloading".
This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft or watercraft that is owned or operated by or rented or loaned to any insured.
This exclusion does not apply to:
(1) A watercraft while ashore on premises you own or rent;
(2) A watercraft you do not own that is:
(a) Less than 8 metres long; and
(b) Not being used to carry persons or property for a charge;
(3) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law, if the "bodily injury" results from an "occurrence" involving watercraft.
- f. **Automobile**
"Bodily injury" or "property damage" arising directly or indirectly, in whole or in part, out of the ownership, maintenance, use or entrustment to others of any "automobile" owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury" or "property damage".
This exclusion applies to any motorized snow vehicle or its trailers and any vehicle while being used in any speed or demolition contest or in any stunting activity or in practice or preparation for any such contest or activity.
This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any "automobile" that is owned or operated by or rented or loaned to any insured.
This exclusion does not apply to:
(1) "Bodily injury" to an "employee" of the insured on whose behalf contributions are made by or required to be made by the insured under the provisions of any Canadian provincial or territorial workers' compensation law.
(2) "Bodily injury" or "property damage" arising out of a defective condition in, or improper maintenance of, any "automobile" owned by the Insured while leased to others for a period of 30 days or more provided the lessee is obligated under contract to ensure that the "automobile" is insured.
(3) the ownership, use or operation of machinery, apparatus or equipment mounted on or attached to any vehicle while at the site of the use or operation of such equipment, but this exception does not apply when such equipment is used for the purpose of "loading or unloading".
- g. **Damage To Property**
"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in your care, custody or control;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations;
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

h. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

i. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard". This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

j. Damage To Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

k. Recall of Products, Work or Impaired Property

"Compensatory damages" claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

l. Electronic Data

"Compensatory damages" arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

m. Personal and Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

n. Professional Services

"Bodily injury" (other than "incidental medical malpractice injury"), or "property damage" due to the rendering of or failure to render by you or on your behalf of any "professional services" for others, or any error or omission, malpractice or mistake in providing those services.

o. Abuse

- a. Claims or "actions" arising directly or indirectly from "abuse" committed or alleged to have been committed by an insured, including the transmission of disease arising out of any act of "abuse".
- b. Claims or "actions" based on your practices of "employee" hiring, acceptance of "volunteer workers" or supervision or retention of any person alleged to have committed "abuse".
- c. Claims or "actions" alleging knowledge by an insured of, or failure to report, the alleged "abuse" to the appropriate authority(ies).

p. Asbestos – see Common Exclusions

q. Fungi or Spores – see Common Exclusions

r. Nuclear— see Common Exclusions

s. Pollution – see Common Exclusions

t. Terrorism – see Common Exclusions

u. War Risks – see Common Exclusions

COVERAGE B. PERSONAL and ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "action" that may result. But:
 - (1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".
- b. **Material Published With Knowledge Of Falsity**
"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.
- c. **Material Published Prior To Policy Period**
"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.
- d. **Criminal Acts**
"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.
- e. **Contractual Liability**
"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages" that the insured would have in the absence of the contract or agreement.
- f. **Breach Of Contract**
"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".
- g. **Quality Or Performance Of Goods – Failure To Conform To Statements**
"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".
- h. **Wrong Description Of Prices**
"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".
- i. **Infringement Of Copyright, Patent, Trademark or Trade Secret**
"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.
However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.
- j. **Insureds In Media and Internet Type Businesses**
"Personal and advertising injury" committed by an insured whose business is:
 - (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 21. a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.
- k. **Electronic Chatrooms or Bulletin Boards**
"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.
- l. **Unauthorized Use Of Another's Name or Product**
"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your email address, domain name or metatag, or any other similar tactics to mislead another's potential customers.
- m. **Asbestos – see Common Exclusions**
- n. **Fungi or Spores – see Common Exclusions**

- o. Nuclear— see Common Exclusions
- p. Pollution – see Common Exclusions
- q. Terrorism – see Common Exclusions
- r. War Risks – see Common Exclusions

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
 provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance as described in Section III – Limits of Insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. Any Insured
 - To any insured, except "volunteer workers".
- b. Hired Person
 - To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. Injury On Normally Occupied Premises
 - To a person injured on that part of premises you own or rent that the person normally occupies.
- d. Workers Compensation and Similar Laws
 - To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. Athletics Activities
 - To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.
- f. Products-Completed Operations Hazard
 - Included within the "products-completed operations hazard".
- g. Coverage A Exclusions
 - Excluded under Coverage A.

COVERAGE D. TENANTS' LEGAL LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as "compensatory damages" because of "property damage" to which this insurance applies. This insurance applies only to "property damage" to premises of others rented to you or occupied by you. We will have the right and duty to defend the insured against any "action" seeking those "compensatory damages". However, we will have no duty to defend the insured against any "action" seeking "compensatory damages" for "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "action" that may result. But:
 - (1) The amount we will pay for "compensatory damages" is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B or D or medical expenses under Coverage C.
 No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A, B and D.
- b. This insurance applies to "property damage" only if:

- (1) The "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "property damage" occurred, then any continuation, change or resumption of such "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
 - c. "Property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "property damage" after the end of the policy period.
 - d. "Property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for "compensatory damages" because of the "property damage";
 - (3) Becomes aware by any other means that "property damage" has occurred or has begun to occur.
2. Exclusions
- This insurance does not apply to:
- a. Expected or Intended Injury
"Property damage" expected or intended from the standpoint of the insured.
 - b. Contractual Liability
"Property damage" for which the insured is obligated to pay "compensatory damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "compensatory damages":
 - (1) That the insured would have in the absence of the contract or agreement; or
 - (2) Assumed in a contract or agreement that is an "insured contract", provided the "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable legal fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be "compensatory damages" because of "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such legal fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "compensatory damages" to which this insurance applies are alleged.
 - c. Asbestos – see Common Exclusions
 - d. Fungi or Spores – see Common Exclusions
 - e. Nuclear– see Common Exclusions
 - f. Pollution – see Common Exclusions
 - g. Terrorism – see Common Exclusions
 - h. War Risks – see Common Exclusions

COMMON EXCLUSIONS – COVERAGES A, B, C and D

This insurance does not apply to:

1. Asbestos
"Bodily injury", "property damage" or "personal and advertising injury" related to or arising from any actual or alleged liability for any legal remedy of any kind whatsoever (including but not limited to damages, interest, mandatory or other injunctive relief, statutory orders or penalties, legal or other costs, or expenses of any kind) in respect of actual or threatened loss, damage, cost or expense directly or indirectly caused by, resulting from, in consequence of or in any way involving, asbestos or any materials containing asbestos in whatever form or quantity.
This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".
2. Fungi or Spores
 - a. "Bodily injury", "property damage" or "personal and advertising injury" or any other cost, loss or expense incurred by others, arising directly or indirectly from the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, presence of, spread of, reproduction, discharge or other growth of any "fungi" or "spores" however caused, including any costs or expenses incurred to prevent, respond to, test for, monitor, abate, mitigate, remove, cleanup, contain, remediate, treat, detoxify, neutralize, assess or otherwise deal with or dispose of "fungi" or "spores";
 - b. Any supervision, instructions, recommendations, warnings, or advice given or which should have been given in connection with a. above; or

- c. Any obligation to pay damages, share damages with or repay someone else who must pay damages because of such injury or damage referred to in a. or b. above.

This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

3. Nuclear Energy Liability

- a. Liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof;
- b. "Bodily injury", "property damage" or "personal and advertising injury" with respect to which an insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the insured is unnamed in such contract and whether or not it is legally enforceable by the insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability;
- c. "Bodily injury", "property damage" or "personal and advertising injury" resulting directly or indirectly from the "nuclear energy hazard" arising from:
 - 1) The ownership, maintenance, operation or use of a "nuclear facility" by or on behalf of an insured;
 - 2) The furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility";
 - 3) The possession, consumption, use, handling, disposal or transportation of "fissionable substances", or of other "radioactive material" (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be useable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an insured.

This exclusion applies regardless of any other contributing or aggravating cause or event that contribute concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

4. Pollution

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened spill, discharge, emission, dispersal, seepage, leakage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapour or soot from equipment used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
 - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapours from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
 - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants";
- (b) Claim or "action" by or on behalf of a governmental authority for "compensatory damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Section (2) does not apply to liability for "compensatory damages" because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "action" by or on behalf of a governmental authority.

5. Terrorism

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of "terrorism" or out of any activity or decision of a government agency or other entity to prevent, respond to or terminate "terrorism". This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

6. War Risks

"Bodily injury", "property damage" or "personal and advertising injury" arising directly or indirectly, in whole or in part, out of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military power. This exclusion applies regardless of any other contributing or aggravating cause or event that contributes concurrently or in any sequence to the "bodily injury", "property damage" or "personal and advertising injury".

SUPPLEMENTARY PAYMENTS – COVERAGES A, B and D

1. We will pay, with respect to any claim we investigate or settle, or any "action" against an insured we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All reasonable expenses you incur at our request to assist us in the investigation or defense of the claim or "action", including actual loss of earnings up to \$250 a day because of time off from work.
- d. All costs assessed or awarded against you in the "action".
- e. Any interest accruing after entry of judgment upon that part of the judgment which is within the applicable limit of insurance and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against an "action" and an indemnitee of the insured is also named as a party to the "action", we will defend that indemnitee if all of the following conditions are met:

- a. The "action" against the indemnitee seeks "compensatory damages" for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "action" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "action" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "action";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "action";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee;

and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "action"; and
- (b) Conduct and control the defense of the indemnitee in such "action".

So long as the above conditions are met, legal fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b. (2) of Section I – Coverage A – Bodily Injury and Property Damage Liability, such payments will not be deemed to be "compensatory damages" for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for legal fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership, limited liability partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, limited liability partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your shareholders are also insureds, but only with respect to their liability as shareholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, limited liability partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership, limited liability partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
 - (c) For which there is any obligation to share "compensatory damages" with or repay someone else who must pay "compensatory damages" because of the injury described in Paragraphs (1)(a) or (b) above;
 - (d) Arising out of his or her providing or failing to provide professional health care services; or
 - (e) To any person who at the time of injury is entitled to benefits under any workers' compensation or disability benefits law or a similar law.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership, limited liability partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.
3. Any organization you newly acquire or form, other than a partnership, limited liability partnership or joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage A and D does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, limited liability partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "actions" brought; or
 - c. Persons or organizations making claims or bringing "actions".
2. The **General Aggregate Limit** is the most we will pay for the sum of:
 - a. "Compensatory damages" under Coverage A, except "compensatory damages" because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
 - b. "Compensatory damages" under Coverage B; and
 - c. Medical expenses under Coverage C.
3. The **Products-Completed Operations Aggregate Limit** is the most we will pay under Coverage A for "compensatory damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. or 3. above, whichever applies, the **Each Occurrence Limit** is the most we will pay for the sum of:
 - a. "Compensatory damages" under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence".
5. Subject to 2. above, the **Personal and Advertising Injury Limit** is the most we will pay under Coverage B for the sum of all "compensatory damages" because of all "personal and advertising injury" sustained by any one person or organization.
6. The **Tenants' Legal Liability Limit – Any one premises** is the most we will pay under Coverage D for "compensatory damages" because of "property damage" to any one premises.
7. Subject to 4. above, the **Medical Payments Limit – Any one person** is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.
8. If **Products-completed operations excluded** is indicated in the Declarations, this insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard".

The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**
Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.
2. **Canadian Currency Clause**
All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.
3. **Changes.**
This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent.
This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.
4. **Duties In The Event Of Occurrence, Offense, Claim or Action**
 - a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
 - b. If a claim is made or "action" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "action" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the claim or "action" as soon as practicable.
 - c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "action";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "action"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
 - d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
5. **Examination Of Your Books and Records.**
We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.
6. **Inspections and Surveys**
1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
 2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
 3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
 4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under provincial or municipal statutes, ordinances, bylaws or regulations, of boilers, pressure vessels or elevators.
7. **Legal Action Against Us**
No person or organization has a right under this policy:
- a. To join us as a party or otherwise bring us into an "action" asking for "compensatory damages" from an insured; or
 - b. To sue us on this policy unless all of its terms have been fully complied with.
- A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for "compensatory damages" that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.
8. **Other Insurance**
If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A, B or D of this policy, our obligations are limited as follows:
- a. **Primary Insurance**
This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.
 - b. **Excess Insurance**
This insurance is excess over:
 - (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) If the loss arises out of the maintenance or use of watercraft to the extent not subject to Exclusion e. of Section I – Coverage A – Bodily Injury and Property Damage Liability.
 - (2) Any other primary insurance available to you covering liability for "compensatory damages" arising out of the premises or operations or products-completed operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A, B or D to defend the insured against any "action" if any other insurer has a duty to defend the insured against that "action". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first. If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

9. Premium Audit

- a. We will compute all premiums for this policy in accordance with our rules and rates.
- b. If Premium adjustment information is provided in the Declarations, the premium shown is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured subject to the retention of the minimum retained premium shown in the Declarations of this policy.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Premiums

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

11. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

12. Separation Of Insureds, Cross Liability

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "action" is brought.

13. Termination

- a. The first Named Insured shown in the Declarations may terminate this policy by mailing or delivering to us advance written notice of termination.
- b. We may terminate this policy by mailing or delivering to the first Named Insured written notice of termination at least:
 - 1) 15 days before the effective date of termination if we terminate for nonpayment of premium; or
 - 2) 30 days before the effective date of termination if we terminate for any other reason.Except in Quebec, if notice is mailed, termination takes effect 15 or 30 days after receipt of the letter by the post office to which it is addressed, depending upon the reason for termination. Proof of mailing will be sufficient proof of notice. In Quebec, termination takes effect either 15 or 30 days after receipt of the notice at the last known address of the first Named Insured, depending upon the reason for termination.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. The policy period will end on the date termination takes effect.
- e. If this policy is terminated, we will send the first Named Insured any premium refund due. If we terminate, the refund will be pro rata. If the first Named Insured terminates, the refund may be less than pro rata. The termination will be effective even if we have not made or offered a refund.

14. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "action" or transfer those rights to us and help us enforce them.

15. Transfer Of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

SECTION V – DEFINITIONS

1. **"Abuse"** means any act or threat involving molestation, harassment, corporal punishment or any other form of physical, sexual or mental abuse.
2. **"Action"** means a civil proceeding in which "compensatory damages" because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Action" includes:
 - a. An arbitration proceeding in which such "compensatory damages" are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such "compensatory damages" are claimed and to which the insured submits with our consent.
3. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
4. **"Automobile"** means a land motor vehicle, trailer or semitrailer that is required by law to be insured under a contract evidenced by a motor vehicle liability policy, or any vehicle insured under such a contract, including any attached machinery or equipment.
5. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
6. **"Compensatory damages"** means damages due or awarded in payment for actual injury or economic loss.
"Compensatory damages" does not include punitive or exemplary damages or the multiple portion of any multiplied damage award.
7. **"Coverage territory"** means:
 - a. Canada and the United States of America (including its territories and possessions).
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of an insured person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication provided the insured's responsibility to pay "compensatory damages" is determined in an "action" on the merits, in the territory described in a. above or in a settlement we agree to.
8. **"Employee"** includes a "leased worker" and a "temporary worker".
9. **"Executive officer"** means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
10. **"Fissionable substance"** means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
11. **"Fungi"** includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or toxigenic, and any substance, vapour or gas produced by, emitted from or arising out of any "fungi" or "spores" or resultant mycotoxins, allergens or pathogens.
12. **"Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
13. **"Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
14. **"Incidental medical malpractice injury"** means "bodily injury" arising out of the rendering of or failure to render, during the Policy Period, the following services:

- i) medical, surgical, dental, x-ray or nursing services or treatment or the furnishing of food or beverages in connection therewith;
 - ii) the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
- by any insured or any indemnitee causing the "incidental medical malpractice injury" who is not engaged in the business or occupation of providing any of the services described in i) and ii) above.
15. **"Insured contract"** means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. An easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade;
 - d. Any other easement agreement;
 - e. An obligation, as required by ordinance or bylaw, to indemnify a municipality, except in connection with work for a municipality;
 - f. An elevator maintenance agreement;
 - g. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "compensatory damages" because of "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph g. does not include that part of any contract or agreement:
- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
 - (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render "professional services", including those listed in (1) above and supervisory, inspection, architectural or engineering activities.
16. **"Leased worker"** means a person leased to you by a labour leasing firm under an agreement between you and the labour leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
17. **"Loading or unloading"** means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "automobile";
 - b. While it is in or on an aircraft, watercraft or "automobile"; or
 - c. While it is being moved from an aircraft, watercraft or "automobile" to the place where it is finally delivered; but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "automobile".
18. **"Nuclear energy hazard"** means the radioactive, toxic, explosive, or other hazardous properties of radioactive material.
19. **"Nuclear facility"** means:
- a) any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - b) any equipment or device designed or used for (i) separating the isotopes of plutonium, thorium and uranium or any one or more of them, (ii) processing or packaging waste;
 - c) any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
20. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
21. **"Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

- f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
22. **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, odour, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
23. **"Products-completed operations hazard"**:
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
 Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
24. **"Professional services"** shall include but not be limited to:
- a. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - b. Any professional service or treatment conducive to health;
 - c. Professional services of a pharmacist;
 - d. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances;
 - e. The handling or treatment of deceased human bodies including autopsies, organ donations or other procedures;
 - f. Any cosmetic, body piercing, tonsorial, massage, physiotherapy, chiropody, hearing aid, optical or optometrical services or treatments;
 - g. The preparation or approval of maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications;
 - h. Supervisory, inspection, architectural, design or engineering services;
 - i. Accountant's, advertiser's, notary's (Quebec), public notary's, paralegal's, lawyer's, real estate broker's or agent's, insurance broker's or agent's, travel agent's, financial institution's, or consultant's professional advices or activities;
 - j. Any computer programming or re-programming, consulting, advisory or related services; or
 - k. Claim, investigation, adjustment, appraisal, survey or audit services.
25. **"Property damage"** means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
 As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
26. **"Radioactive material"** means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by any nuclear liability act, law or statute, or any law amendatory thereof, as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
27. **"Spores"** includes, but is not limited to, any reproductive particle or microscopic fragment produced by, emitted from or arising out of any "fungi".
28. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
29. **"Terrorism"** means an ideologically motivated unlawful act or acts, including but not limited to the use of violence or force or threat of violence or force, committed by or on behalf of any group(s), organization(s) or government(s) for the purpose of influencing any government and/or instilling fear in the public or a section of the public.

30. **"Volunteer worker"** means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
31. **"Your product"**:
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
32. **"Your work"**:
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
 - (2) The providing of or failure to provide warnings or instructions.

This deductible modifies coverage provided by form LIA01, but only if indicated on the Declarations Page for the form.

AMOUNT AND BASIS OF DEDUCTIBLE - The amount and basis of deductible is as indicated in the Declarations for this deductible as **Per occurrence** or **Per claim**.

APPLICATION OF DEDUCTIBLE

1. Our obligation under Bodily Injury Liability to pay "compensatory damages" on your behalf applies only to the amount of "compensatory damages" in excess of any deductible amounts stated in the Declarations as applicable to such coverages, and the limits of insurance applicable to **Each occurrence limit** for Bodily Injury Liability will be reduced by the amount of such deductible.
2. The deductible amount applies as follows:
 - A. **PER OCCURRENCE BASIS** - if the deductible is on a **Per occurrence** basis, the deductible amount applies under Coverage A - Bodily Injury Liability to all compensatory damages because of "bodily injury" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".
 - B. **PER CLAIM BASIS** - if the deductible is on a **Per claim** basis, the deductible amount applies Under Coverage A - Bodily Injury Liability to all "compensatory damages" because of "bodily injury" sustained by one person.
3. The terms of this insurance, including those with respect to:
 - a) our right and duty to defend any "action" seeking those "compensatory damages"; and
 - b) your duties in the event of an "occurrence", claim or action apply irrespective of the application of the deductible amount.
4. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

All other terms and conditions of this policy remain unchanged.

This deductible modifies coverage provided by form LIA01, but only if indicated on the Declarations Page for the form.

AMOUNT AND BASIS OF DEDUCTIBLE - The amount and basis of deductible is as indicated in the Declarations for this deductible as **Per occurrence** or **Per claim**.

APPLICATION OF DEDUCTIBLE

1. Our obligation under Property Damage Liability to pay "compensatory damages" on your behalf applies only to the amount of "compensatory damages" in excess of any deductible amounts stated in the Declarations, as applicable to such coverages, and the limits of insurance applicable to **Each occurrence limit** for Property Damage Liability will be reduced by the amount of such deductible.
2. The deductible amount applies as follows:
 - A. **PER OCCURRENCE BASIS** - if the deductible is on a **Per occurrence** basis, the deductible amount applies under Coverage A - Property Damage Liability to all "compensatory damages" because of "property damage" as the result of any one "occurrence" regardless of the number of persons or organizations who sustain "compensatory damages" because of that "occurrence".
 - B. **PER CLAIM BASIS** - if the deductible is on a **Per claim** basis, the deductible amount applies Under Coverage A - Property Damage Liability to all "compensatory damages" because of "property damage" sustained by one person.
3. The terms of this insurance, including those with respect to:
 - a) our right and duty to defend any "action" seeking those "compensatory damages"; and
 - b) your duties in the event of an "occurrence", claim or action apply irrespective of the application of the deductible amount.
4. We may pay any part or all of the deductible amount to effect settlement of any claim or "action" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

All other terms and conditions of this policy remain unchanged.

Limitation to Designated Premises Restriction

LDP

This restriction modifies coverage provided by form LIA01, but only if indicated on the Declarations Page for the form.

This insurance applies only to "bodily injury", "property damage", "personal injury", and medical expenses arising out of the ownership, maintenance or use of the premises shown in the Declarations and operations necessary or incidental to those premises.

All other terms and conditions of this policy remain unchanged.

Communicable Disease Endorsement

LMA5393

For use on property policies

1. This policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of insurance. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
 - 2.1. for a Communicable Disease, or
 - 2.2. any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
 - 1.1 Cyber Loss;
 - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 3 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

- 4 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 5 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 6 Cyber Incident means:
 - 6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
 - 6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 7 Computer System means:
 - 7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,owned or operated by the Insured or any other party.
- 8 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

THIS POLICY IS AMENDED AS FOLLOWS:

The following EXCLUSION is added to the PROPERTY section of this policy.

1. This policy shall not insure:

- (a) loss or damage consisting of or caused directly or indirectly, in whole or in part, by any "Fungi" or "Spores" unless such "Fungi" or "Spores" are directly caused by or directly result from a peril otherwise insured and not otherwise excluded by this policy.
- (b) the cost or expense for any testing, monitoring, evaluating or assessing of "Fungi" or "Spores".

2. DEFINITIONS

- (a) "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or oxygenic and any substance, vapour or gas produced by, emitted from or arising out of any "Fungi" or "Spores" or resultant micro toxins, allergens, or pathogens.
- (b) "Spores" includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "Fungi".

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

(For use on liability policies)

1. Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 3.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

Attaching to and forming part of LIA01.

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes liability for loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, injury, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Fungi and Fungal Derivatives Exclusion (Liability)

LFDX

Attaching to and forming part of the General Liability Form.

This policy is amended as follows:

The following EXCLUSION is added to the LIABILITY section of this policy.

FUNGI AND FUNGAL DERIVATIVES EXCLUSION

This policy shall not insure:

- a) "bodily injury"
- b) any supervision
- c) any obligation

The following are added to the DEFINITIONS:

- a) "Fungi" includes, but is not limited to, any form or type of mould, yeast, mushroom or mildew whether or not allergenic, pathogenic or oxygenic and any substance, vapour or gas produced by, emitted from or arising out of any "Fungi" or "Spores" or resultant micro toxins, allergens, or pathogens.
- b) "Spores" includes, but is not limited to, one or more reproductive particles or microscopic fragments produced by, emitted from or arising out of any "Fungi".

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Attaching to and forming part of the General Liability Form.

This policy does not cover any claim, costs or expenses directly or indirectly arising out of, caused by, or contributed to or resulting from a Cyber-attack:

1. Functioning, nonfunctioning, improperly functioning, availability or unavailability of:
 - a. The internet or similar facility; or
 - b. Any intranet or private network or similar facility; or
 - c. Any website, bulletin board, chat room, search engine, portal or similar third party application service.
2. Alteration, corruption, destruction, distortion, erasure, theft or other loss or loss of use or damage to DATA, software, information repository, microchip, integrated system or similar device in any computer equipment or non-computer equipment or any kind of programming or instruction set; or
3. Loss of use or functionality, whether partial or entire, costs, expense of data, coding, program, software any computer or computer system or other device dependent upon any microchip or embedded logic and any ensuing inability or failure of any insured to conduct business.

Clauses (1), (2) and (3) apply regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

Further, for the purposes of this endorsement;

DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

Cyber Attack means:

- (a) the spread of computer viruses, worm, logic bomb or Trojan horse,
- (b) any malicious or non-malicious act and/or inappropriate E-mail,
- (c) any unauthorized collection or misuse of any data
- (d) any breach of confidentiality or infringement of any privacy law or right to privacy.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

THIS ENDORSEMENT MODIFIES THE COVERAGE PROVIDED IN THOSE FORMS SHOWN ON THE DECLARATION PAGE UNDER THE COVERAGE SUMMARY HEADING LIABILITY AND TO ANY LIABILITY COVERAGES PROVIDED UNDER MISCELLANEOUS AND/OR OTHER COVERAGES HEADINGS OF THIS POLICY.

THIS INSURANCE DOES NOT APPLY TO ANY LIABILITY OR ALLEGED LIABILITY ARISING DIRECTLY OR INDIRECTLY OUT OF:

1. The actual or alleged failure, malfunction or inadequacy of any:

- (a) electronic data processing equipment, or other equipment, including micro-chips embedded therein;
- (b) computer program;
- (c) software;
- (d) computer networks;
- (e) media;
- (f) data;
- (g) memory storage system;
- (h) memory storage device;
- (i) real time clock;
- (j) date calculator;
- (k) other related component, system, process or device; or
- (l) other products and any services, data, or functions that directly or indirectly use or rely upon, in any manner, any of the items referred to in paragraph a) through k) above.

to correctly read, recognize, process, distinguish, interpret, or accept any encoded, abbreviated or encrypted data, time or combined date/time data or data field. Such failure shall include any error in original or modified data entry or programming.

2. any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by the Insured or on the Insured's behalf to determine, rectify, or test for any potential or actual problems described in paragraph 1 of this endorsement.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Abuse or Molestation Exclusion Endorsement

LAMX

Attaching to and forming part of the General Liability Form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY

This endorsement modifies insurance provided under the Liability Section of this Policy.

This insurance does not apply to 'bodily injury', 'personal injury' or 'property damage' arising out of:

1. The alleged, actual, threatened or proposed act of sexual harassment, sexual misconduct, sexual molestation, physical abuse, or mental abuse of any person.
2. The transmission of disease arising out of any act referred to in paragraph 1 above.
3. The failure to take all reasonable and proper steps to guard against the possibility of any of the foregoing.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Attaching to and forming part of LIA01.

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
 - 1.1 **CYBER ACT** or **CYBER INCIDENT** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **CYBER ACT** or **CYBER INCIDENT**;
 - 1.2 loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any **DATA**, including any amount pertaining to the value of such **DATA**; or
 - 1.3 complaint, investigation, or proceedings arising directly or indirectly from a breach or alleged breach of the Personal Information Protection and Electronic Documents Act, the Canada Anti-Spam Legislation, any Privacy Act, or any similar Canadian, Provincial or Territorial statute or regulation,regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Definitions

COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

CYBER ACT means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **COMPUTER SYSTEM**.

CYBER INCIDENT means:

- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **COMPUTER SYSTEM**; or
- (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **COMPUTER SYSTEM**.

DATA means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **COMPUTER SYSTEM**.

- ICR2009 Insuring in Canada of Risk Endorsement
- LMA3100A Sanction Limitation Clause
- LMA5018 Micro-organism Exclusion (Map) (Absolute)
- LMA5028B Service of Suit Clause
- LMA5097 Binding Authority Combined Certificates Endorsement
- LMA5120 Fraudulent Conduct and Misrepresentation Clause
- LMA5190A Canada Subscription Policy Lloyd's Endorsement
- LMA5468A Cyber and Data Total Exclusion Endorsement
- LSW1192A Statutory Conditions (Fire)
- LSW1193A Statutory Conditions
- LSW1543E Privacy Notice Concerning Personal Information
- LSW1565C Lloyds Underwriters' Code of Consumer Rights and Responsibilities
- LSW1814A Statutory Conditions (Alberta)
- LSW1815 Statutory Conditions (British Columbia)
- LSW1851 Statutory Conditions (Manitoba)
- LSW1861 Statutory Conditions (Saskatchewan)
- LSW3000 Premium Payment Clause
- NMA1191 Radioactive Contamination Exclusion Clause
- NMA2802 Electronic Date Recognition Exclusion (EDRE)
- NMA2918 War and Terrorism Exclusion Endorsement
- NMA2962 Biological or Chemical Material Exclusion

INSURING IN CANADA OF RISK ENDORSEMENT

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

02/21
ICR2009

SANCTIONS LIMITATION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations' resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

10/23
LMA3100A

MICROORGANISM EXCLUSION (Absolute)

This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This exclusion applies regardless whether there is (i) any physical loss or damage to insured property; (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence; (iii) any loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This exclusion replaces and supersedes any provision in the policy that provides insurance, in whole or in part, for these matters.

LMA5018

SERVICE OF SUIT CLAUSE (CANADA)

(Action against Insurer)

In any action to enforce the obligations of the Underwriters they can be designated or named as "Lloyd's Underwriters" and such designation shall be binding on the Underwriters as if they had each been individually named as defendant. Service of such proceedings may validly be made upon the Attorney in Fact in Canada for Lloyd's Underwriters at: Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51 Toronto, Ontario M5J 2J2. In addition, Quebec Legal proceedings may be served to c/o Blake, Cassels & Graydon LLP, One Place Ville Marie, Suite 3000, Montreal, Quebec H3B 4N8

04/15/22

LMA5028B

Form approved by Lloyd's Market Association

BINDING AUTHORITY COMBINED CERTIFICATES ENDORSEMENT (FOR USE IN CONJUNCTION WITH LMA BINDING AUTHORITY AGREEMENTS)

Notwithstanding any reference to Joint Certificates in the Agreement/Schedule and/or (where applicable) U.S. General Cover Conditions the following provisions apply with respect to the issuance of Joint Certificates:

- A. 'Joint Certificate' is amended to read 'Combined Certificate' in the Binding Authority Agreement to which this endorsement is attached.
- B. COMBINED CERTIFICATES:
 - other Lloyd's Underwriters - Permitted
 - non Underwriting Members of Lloyd's - Permitted
- IDENTITY OF OTHER INSURERS:
 - As shown on Declaration page
- C. For the purposes of the Agreement 'Combined Certificate' is a certificate or other document evidencing insurance accepted under the Agreement and which also evidences a proportion of the insurance accepted for other Lloyd's Underwriters or for insurers which are not Underwriting Members of Lloyd's (hereinafter 'the other insurer(s)');
- D. Combined Certificates may be issued under the Agreement, as indicated in B above, provided that in each instance:
 - D.1 the Underwriters have established the identity of the other insurer(s) which is(are) named in B above;
 - D.2 the Combined Certificate shall include all the details that are required to be included in insurance documentation evidencing contracts of insurance that are issued by an approved Coverholder under a registered binding authority or by a restricted Coverholder under a restricted binding authority;
 - D.3 the proportion or amount of risk accepted by the Underwriters is expressly stated on the Combined Certificate and is specified separately from the proportion or amount of risk accepted by the other insurer(s);
 - D.4 the Combined Certificate must contain the following statement:

PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract. The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address. Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.'

(24/11/20)

LMA5097

FRAUDULENT CONDUCT AND MISREPRESENTATION CLAUSE

The entire Contract of Insurance and any loss or claim thereunder will be void if, whether before or after a loss, an Insured has:

(a) intentionally concealed or intentionally misrepresented any material fact or circumstance;

(b) engaged in fraudulent conduct; or

(c) made false statements;

relating to the Contract of Insurance or any loss or claim thereunder.

In the event that any provision of this clause is found by a court of competent jurisdiction to be invalid or unenforceable, the other provisions of this clause and the remainder of the provision in question shall not be affected thereby and shall remain in full force and effect.

(11/08)
LMA5120

CANADA SUBSCRIPTION POLICY

Lloyd's endorsement (only to be used in conjunction with LSW1554 or an alternative subscription policy document containing the attributes of LSW1554)

PLEASE NOTE – This notice contains important information – PLEASE READ CAREFULLY

Whereas the Subscription Policy ("the Policy") has been entered into by the Coverholder in accordance with the authorization granted to the Coverholder by the underwriting members ("the members") of the Lloyd's syndicates as shown in the List of Subscribing Companies (and where the List of Subscribing Companies also notes the identity of the Coverholder);

Whereas the liability of each insurer under the Policy is several and not joint with other insurers party to the Policy;

The following additional provisions shall apply in respect of the participation of the members to the Policy. The following provisions are in addition to and not in substitution for the provisions, terms and condition as set out in the Policy (including any amendment or endorsement thereto).

Several liability

1. The proportion of liability under the Policy underwritten by the members of a Lloyd's syndicate (being the total of the proportions underwritten by all the members of the syndicate taken together) is as provided for in the binding authority agreement number shown in the List of Subscribing Companies, or which may be obtained on application to the Coverholder whose name is also noted in the List of Subscribing Companies.

2. In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total being the total of the proportions of the total shown for the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members or other insurers. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite the Policy. The business address of each member is Lloyd's, One Lime Street, EC3M 7HA, United Kingdom. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained in writing to Market Services, Lloyd's at the above address.

3. Although reference is made at various points in this endorsement to "the Policy" in the singular, where the circumstances so require this should be read as a reference to Policies in the plural.

Action Against Insurer

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

Notice

5. Any notice to the members may be validly given to the Coverholder whose signature and name appear in the List of Subscribing Companies.

(10/20)
LMA5190A

CYBER AND DATA TOTAL EXCLUSION ENDORSEMENT

Attaching to and forming part of LIA01.

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy does not apply to any loss, damage, liability, claim, fines, penalties, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

1.1. **CYBER ACT** or **CYBER INCIDENT** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **CYBER ACT** or **CYBER INCIDENT**; or

1.2. loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss or theft of any **DATA**, including any amount pertaining to the value of such **DATA**,

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2. In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. If the Underwriters allege that by reason of this endorsement that loss sustained by the Insured is not covered by this Policy, the burden of proving the contrary shall be upon the Insured.

Definitions

COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

CYBER ACT means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **COMPUTER SYSTEM**.

CYBER INCIDENT means:

- a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **COMPUTER SYSTEM**; or
- b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **COMPUTER SYSTEM**.

DATA means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **COMPUTER SYSTEM**.

(03/23)
LMA5468A

STATUTORY CONDITIONS (FIRE)

Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of Others

2. Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

Change of Interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy Act* (Canada) or change of title by succession, by operation of law, or by death.

Material Change

4. Any change material to the risk and within the control and knowledge of the insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

Termination

5. 1. This contract may be terminated,

(a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;

(b) by the insured at any time on request.

2. Where this contract is terminated by the insurer,

(a) the insurer shall refund the excess of premium actually paid by the insured over the *pro rata* premium for the expired time, but, in no event, shall the *pro rata* premium for the expired time be deemed to be less than any minimum retained premium specified; and

(b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

3 Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

4. The refund may be made by money, postal or express company money order or cheque payable at par.

5. The fifteen days mentioned in clause 1(a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

Requirements After Loss

6. 1. Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11,

(a) forthwith give notice thereof in writing to the insurer;

(b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration,

(i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,

(iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,

(iv) showing the amount of other insurances and the names of other insurers,

(v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,

(vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,

(vii) showing the place where the property insured was at the time of loss;

(c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

Who May Give Notice and Proof

8. Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

Salvage

9. 1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

2. The insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

Entry, Control, Abandonment

10. After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the

property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

Appraisal

11. In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the *Insurance Act* before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

When Loss Payable

12. The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

Replacement

13. 1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.

2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

Action

14. Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

* Two years in the Province of Manitoba and the Northwest and Yukon Territories. Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1.

Notice

15. Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the Province. Written notice may be given to the insured named in the contract by letter personally delivered to the insured or by registered mail addressed to the insured at the insured's latest post office address as notified to the insurer. In this condition, the expression "registered" means registered in or outside Canada.

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STATUTORY CONDITIONS

The conditions as set out below apply to all of the perils insured by this policy either as STATUTORY CONDITIONS or as contractual conditions as the law may require.

1. Misrepresentation

If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

2. Property of Others

Unless otherwise specifically stated in the contract, the insurer is not liable for loss or damage to property owned by any person other than the insured, unless the interest of the insured therein is stated in the contract.

3. Change of Interest

The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy Act* (Canada) or change of title by succession, by operation of law, or by death.

4. Material Change

Any change material to the risk and within the control and knowledge of the insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the insurer or its local agent, and the insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within fifteen days of the receipt of the notice, pay to the insurer an additional premium, and in default of such payment the contract is no longer in force and the insurer shall return the unearned portion, if any, of the premium paid.

5. Termination

1. This contract may be terminated, (a) by the insurer giving to the insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered;
(b) by the insured at any time on request.

2. Where this contract is terminated by the insurer, (a) the insurer shall refund the excess of premium actually paid by the insured over the *pro rata* premium for the expired time, but, in no event, shall the *pro rata* premium for the expired time be deemed to be less than any minimum retained premium specified; and
(b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.

3. Where this contract is terminated by the insured, the insurer shall refund as soon as practicable the excess of the premium actually paid by the insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

4. The refund may be made by money, postal or express company money order or cheque payable at par.

5. The fifteen days mentioned in clause 1(a) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

6. Requirements After Loss

1. Upon the occurrence of any loss of or damage to the insured property, the insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11, (a) forthwith give notice thereof in writing to the insurer; (b) deliver as soon as practicable to the insurer a proof of loss verified by a statutory declaration, 1. giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed,

(ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,

(iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the insured,

(iv) showing the amount of other insurances and the names of other insurers,

(v) showing the interest of the insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property,

(vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract,

(vii) showing the place where the property insured was at the time of loss; (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value;

(d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.

2. The evidence furnished under clauses 1(c) and (d) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.

7. Fraud

Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

8. Who May Give Notice and Proof

Notice of loss may be given and proof of loss may be made by the agent of the insured named in the contract in case of absence or inability of the insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the insured refuses to do so, by a person to whom any part of the insurance money is payable.

9. Salvage

1. The insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.

2. The insurer shall contribute *pro rata* towards any reasonable and proper expenses in connection with steps taken by the insured and required under subparagraph (1) of this condition according to the respective interests of the parties.

10. Entry, Control, Abandonment

After loss or damage to insured property, the insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the insurer is not entitled to the control or possession of the insured property, and without the consent of the insurer there can be no abandonment to it of insured property.

11. Appraisal

In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under the *Insurance Act* before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

12. When Loss Payable

The loss is payable within sixty days after completion of the proof of loss, unless the contract provides for a shorter period.

13. Replacement

1. The insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty days after receipt of the proofs of loss.
2. In that event the insurer shall commence to so repair, rebuild, or replace the property within forty-five days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.

14. Action

Every action or proceeding against the insurer for the recovery of a claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.

* Two years in the Province of Manitoba and the Northwest and Yukon Territories. Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1.

15. Notice

Any written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the Province. Written notice may be given to the insured named in the contract by letter personally delivered to the insured or by registered mail addressed to the insured at the insured's latest post office address as notified to the insurer. In this condition, the expression "registered" means registered in or outside Canada.

ADDITIONAL CONDITIONS

1. Notice to Authorities

Where the loss is due to malicious acts, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.

2. No Benefit to Bailee

It is warranted by the Insured that this insurance shall in no way enure directly or indirectly to the benefit of any carrier or other bailee.

3. Pair and Set

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

4. Parts

In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

5. Sue and Labour

It is the duty of the insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.

6. Basis of Settlement

Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.

7. Subrogation

The insurer, upon making any payment or assuming liability therefore under this Policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportions in which the loss or damage has been borne by them respectively.

LSW1193A

PRIVACY: NOTICE CONCERNING PERSONAL INFORMATION

Introduction:

This notice describes how Lloyd's Canada, as a data controller, collects, uses, shares and retains the personal information you provide and informs you about your choices regarding use, access and correction of your personal information. Lloyd's is committed to ensuring that any personal data it receives is protected and handled in accordance with applicable data protection laws.

Consent to Collection:

By purchasing insurance or filing a claim on a policy issued by Lloyd's Underwriters in Canada, ("Lloyd's"), a customer provides Lloyd's with their consent to the collection, use and disclosure of personal information. Consent is subject to the customer's understanding of the nature, purpose, and consequences of the collection, use or disclosure of their personal information.

How we Collect Information:

We receive policy and claim information from sources such as: Lloyd's Coverholders, Lloyd's Managing Agents, insurance brokers, claims adjusters, and other insurance intermediaries.

What personal information we process about you and how it is used:

Information is collected and stored for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the analysis of business results
- purposes required or authorized by law

We collect, process, and store the following personal information about you:

- Name
- Address including postal code and country
- Policy number
- Claim number
- Claim details

We also collect information about you when you visit www.lloyds.com . Further details can be found on our online Privacy & Cookies policy at [Privacy - Lloyd's \(lloyds.com\)](http://Privacy - Lloyd's (lloyds.com))

We will not use your personal information for marketing purposes, and we will not sell your personal information to other parties.

Who we disclose your information to:

For our general business administration, efficiency, and accuracy purposes, your personal information might be shared among certain Lloyd's offices. In order to properly manage the Lloyd's market and exercise certain supervisory powers, we may share your personal information with the Lloyd's Market Participants. For example, to successfully resolve any complaint, we will require all relevant information about your coverage and concerns.

To help manage our business and deliver services, we may share your personal information with third party service providers such as IT suppliers and business services. We require all our service providers to respect the confidentiality and security of personal data.

We may be under legal or regulatory obligations to share your personal data with Canadian courts, regulators, and law enforcement bodies.

Personal information collected by Lloyd's may be stored in several provinces within Canada, as well as sent for processing to Lloyd's offices in international locations such as the United States, the United Kingdom and the European Union. The collection, use and disclosure of personal information will be subject to the laws of those jurisdictions. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to disclosing such personal information as may be required by the laws of that jurisdiction.

For the purposes described above, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain IT suppliers and business services providers. As some of these entities and Business Services Providers may be located outside of Canada, including in the United States of America or another foreign jurisdiction such as the United Kingdom and the European Union, the collection, use and disclosure of personal information will be subject to the laws of that jurisdiction. By communicating personal information to us, for the purchase of insurance products or filing claims, you hereby consent to these entities and Business Services Providers located outside of Canada to disclosing such personal information as required by the laws of that jurisdiction.

Use or disclosure without consent or further notification

Personal information may be used for a purpose other than those for which it was originally collected, without the consent, in the following situations:

- Legitimate business purposes: When it is necessary for the supply or delivery of a product or the provision of a service you have requested. We may also be required to share information to investigate allegations of fraud; where permitted or required by law; to protect and defend legal claims; and, at the request of government institutions in accordance with applicable laws.
- Interest of the individual: When it is clearly used for your benefit.

- Research, data analytics and AI. Only if it is used for purposes consistent with those it was collected, for study or research purposes, or for statistical purposes (where if the information has been de-identified).

Retention

We retain personal information for the purposes described above, for so long as is necessary to achieve those purposes. We will also retain information for so long as required by or regulatory obligations or by law.

Your rights

You have certain rights as an individual which you can exercise in relation to the information we hold about you. If you make a request to exercise any of your rights, we reserve the right to ask you for a proof of your identity. We aim to acknowledge your request as soon as possible and will address your query within one month from your request.

You have the following rights:

The right to access

You are entitled to a confirmation to how we are processing your data, a copy of your data, and information about the purposes of processing, who do we disclose it to, whether we transfer it abroad and how we protect it, how long we keep it for, what rights you have, where we got your data from and how you can make a complaint.

We may have to decline a request due to legal restrictions. This could include, but are not limited to:

- the information is subject to solicitor/client privilege,
- providing the information would reveal personal information about a third party, or
- providing the information could compromise the investigation of a claim.

The right to rectification

If you believe the personal information we hold about you is inaccurate or incomplete, you can request for it to be rectified.

The right to be forgotten

If you withdraw your consent, terminate a contract with us or you believe the personal information is no longer necessary for the purposes for which it was collected, you may request your data to be deleted. However, this will need to be balanced against other factors. For example, there may be certain regulatory obligations which may prevent us from completing your request.

The right to data portability

If we collected your information under a contract or your consent, you can request from us to transfer your personal information to provide it to another third party of your choice.

The right to withdraw consent

If we processed your personal information under your consent, you can withdraw consent to the communication or use of the information collected; assuming it is no longer needed for the purposes it was collected.

How to access your information and/or contact us

For further information about Lloyd's management of personal information or to request, access, corrections, deletion, or to make a complaint, please contact:

Lloyd's Underwriters
 Attention: Nicole Seymour, Privacy Officer
 Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930,
 P.O. Box 51 Toronto, Ontario M5J 2J2
 Tel: 1-416-360-1512
 E-mail: LloydsCanada@lloyds.com

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CODE OF CONSUMER RIGHTS AND RESPONSIBILITIES

Insurers (including Lloyd's Underwriters), along with the brokers and agents who sell home, auto and business insurance are committed to safeguarding your rights both when you shop for insurance and when you submit a claim following a loss. Your rights include the right to be informed fully, to be treated fairly, to timely complaint resolution, and to privacy. These rights are grounded in the contract between you and your insurer and the insurance laws of your province. With rights, however, come responsibilities including, for example, the

expectation that you will provide complete and accurate information to your insurer. Your policy outlines other important responsibilities. Insurers and their distribution networks, and governments also have important roles to play in ensuring that your rights are protected.

Right to Be Informed

You can expect to access clear information about your policy, your coverage, and the claims settlement process. You have the right to an easy-to-understand explanation of how insurance works and how it will meet your needs. You also have a right to know how insurers calculate price based on relevant facts. Under normal circumstances, insurers will advise an insurance customer or the customer's intermediary of changes to, or the cancellation of a policy within a reasonable prescribed period prior to the expiration of the policy, if the customer provides information required for determining renewal terms of the policy within the time prescribed, which could vary by province, but is usually 45 days prior to expiry of the policy.

You have the right to ask who is providing compensation to your broker or agent for the sale of your insurance. Your broker or agent will provide information detailing for you how he or she is paid, by whom, and in what ways.

You have a right to be told about insurers' compensation arrangements with their distribution networks. You have a right to ask the broker or agent with whom you deal for details of how and by whom it is being paid. Brokers and agents are committed to providing information relating to ownership, financing, and other relevant facts.

Responsibility to Ask Questions and Share Information

To safeguard your right to purchase appropriate coverage at a competitive price, you should ask questions about your policy so that you understand what it covers and what your obligations are under it. You can access information through one-on-one meetings with your broker or agent. You have the option to shop the marketplace for the combination of coverages and service levels that best suits your insurance needs. To maintain your protection against loss, you must promptly inform your broker or agent of any change in your circumstances.

Right to Complaint Resolution

Insurers, their brokers and agents are committed to high standards of customer service. If you have a complaint about the service you have received, you have a right to access Lloyd's Underwriters' complaint resolution process for Canada. Your agent or broker can provide you with information about how you can ensure that your complaint is heard and promptly handled. Consumers may also contact their respective provincial insurance regulator for information. Lloyd's is a member of an independent complaint resolution office, the General Insurance OmbudService.

Responsibility to Resolve Disputes

You should always enter into the dispute resolution process in good faith, provide required information in a timely manner, and remain open to recommendations made by independent observers as part of that process.

Right to Professional Service

You have the right to deal with insurance professionals who exhibit a high ethical standard, which includes acting with honesty, integrity, fairness and skill. Brokers and agents must exhibit extensive knowledge of the product, its coverages and its limitations in order to best serve you.

Right to Privacy

Because it is important for you to disclose any and all information required by an insurer to provide the insurance coverage that best suits you, you have the right to know that your information will be used for the purpose set out in the privacy statement made available to you by your broker, agent or insurance representative. This information will not be disclosed to anyone except as permitted by law. You should know that Lloyd's Underwriters are subject to Canada's privacy laws - with respect to their business in Canada.

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STATUTORY CONDITIONS (Alberta)

Misrepresentation

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

2. The insurer is not liable for loss or damage to property owned by a person other than the insured unless
 - (a) otherwise specifically stated in the contract, or
 - (b) the interest of the insured in that property is stated in the contract.

Change of interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy and Insolvency Act (Canada) or a change of title by succession, by operation of law or by death.
Material change in risk

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
 - (a) material to the risk, and
 - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
 - (a) terminate the contract in accordance with Statutory Condition 5,
 - or
 - (b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of insurance

5. (1) The contract may be terminated
 - (a) by the insurer giving to the insured 15 days' notice of termination by recorded mail or 5 days' written notice of termination personally delivered, or
 - (b) by the insured at any time on request.
- (2) If the contract is terminated by the insurer,
 - (a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the recorded letter or notification of it is delivered to the insured's postal address.

Requirements after loss

6. (1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
 - (a) immediately give notice in writing to the insurer,
 - (b) deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
 - (iv) stating the amount of other insurances and the names of other insurers,
 - (v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made
 - (a) by the agent of the insured, if
 - (i) the insured is absent or unable to give the notice or make the proof, and

- (ii) the absence or inability is satisfactorily accounted for, or
- (b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

- 9. (1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

Entry, control, abandonment

- 10. After loss or damage to insured property, the insurer has
 - (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
 - (b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property,
 - and
 - (ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

- 11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the Insurance Act, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
 - (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insurer.

When loss payable

- 12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

- 13. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

- 14. (1) Written notice to the insurer may be delivered at, or sent by recorded mail to, the chief agency or head office of the insurer in the province.
- (2) Written notice to the insured may be personally delivered at, or sent by recorded mail addressed to, the insured's last known address as provided to the insurer by the insured.

23/09/2022

LSW1814A

STATUTORY CONDITIONS (British Columbia)

Misrepresentation

- 1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

- 2. The insurer is not liable for loss or damage to property owned by a person other than the insured unless
 - (a) otherwise specifically stated in the contract, or
 - (b) the interest of the insured in that property is stated in the contract.

Change of interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

Material change in risk

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
- (a) material to the risk, and
 - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
- (a) terminate the contract in accordance with Statutory Condition 5,
 - or
 - (b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of insurance

5. (1) The contract may be terminated
- (a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the insured at any time on request.
- (2) If the contract is terminated by the insurer,
- (a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15 day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

Requirements after loss

6. (1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
- (a) immediately give notice in writing to the insurer,
 - (b) deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
 - (i) giving a complete inventory of that property and showing in detail quantities and cost of that property and particulars of the amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
 - (iv) stating the amount of other insurances and the names of other insurers,
 - (v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made
- (a) by the agent of the insured, if
 - (i) the insured is absent or unable to give the notice or make the proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
 - (b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

9. (1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

Entry, control, abandonment

10. After loss or damage to insured property, the insurer has
- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
 - (b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
 - (ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
- (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insurer.

When loss payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

13. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14. (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.
- (2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

01/07/12

LSW1815

**STATUTORY CONDITIONS
(Manitoba)****Misrepresentation**

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

2. The insurer is not liable for loss or damage to property owned by a person other than the insured unless

- (a) otherwise specifically stated in the contract, or
- (b) the interest of the insured in that property is stated in the contract.

Change of interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

Material change in risk

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
- (a) material to the risk, and
 - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subparagraph (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subparagraph (1) of this condition, the insurer may
- (a) terminate the contract in accordance with Statutory Condition 5,
 - or
 - (b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- (4) If the insured fails to pay an additional premium when required to do so under subparagraph (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of contract

5. (1) The contract may be terminated
- (a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the insured at any time on request.
- (2) If the contract is terminated by the insurer,
- (a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as practicable.
- (3) If the contract is terminated by the insured, the insurer must refund as soon as practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15-day period referred to in subparagraph (1) (a) of this condition starts to run on the day the registered letter or notification of it is delivered to the insured's postal address.

Requirements after loss

6. (1) On the happening of any loss or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
- (a) immediately give notice in writing to the insurer,
 - (b) deliver as soon as practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration
 - (i) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed,
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes,
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured,
 - (iv) stating the amount of other insurances and the names of other insurers,
 - (v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued, and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) furnish invoices and other vouchers verified by statutory declaration, and
 - (iii) furnish a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or furnished under subparagraph (1) (c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under of Statutory Condition 6 (1) (b) may be made
- (a) by the agent of the insured if
 - (i) the insured is absent or unable to give the notice or make the proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
 - (b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so, or in the circumstances described in clause (a) of this condition.

Salvage

9. (1) In the event of loss or damage to insured property, the insured must take all reasonable steps to prevent further loss or damage to that property and to prevent loss or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subparagraph (1) of this condition.

Entry, control, abandonment

10. After loss or damage to insured property, the insurer has
- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
 - (b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage, but
 - (i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
 - (ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act* whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
- (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insurer.

When loss payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Replacement

13. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the insurer gives notice under subparagraph (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14. (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the insurer in the province.
- (2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to the insured's last known address as provided to the insurer by the insured.

17/10/14

LSW1851

**STATUTORY CONDITIONS
(Saskatchewan)****Misrepresentation**

1. If a person applying for insurance falsely describes the property to the prejudice of the insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the insurer in order to enable it to judge the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.

Property of others

2. The insurer is not liable for loss of or damage to property owned by a person other than the insured unless
- (a) otherwise specifically stated in the contract, or
 - (b) the interest of the insured in that property is stated in the contract.

Change of interest

3. The insurer is liable for loss or damage occurring after an authorized assignment under the *Bankruptcy and Insolvency Act* (Canada) or a change of title by succession, by operation of law or by death.

Material change in risk

4. (1) The insured must promptly give notice in writing to the insurer or its agent of a change that is
- (a) material to the risk, and
 - (b) within the control and knowledge of the insured.
- (2) If an insurer or its agent is not promptly notified of a change under subsection (1) of this condition, the contract is void as to the part affected by the change.
- (3) If an insurer or its agent is notified of a change under subsection (1) of this condition, the insurer may:
- (a) terminate the contract in accordance with Statutory Condition 5;
 - or
 - (b) notify the insured in writing that, if the insured desires the contract to continue in force, the insured must, within 15 days after receipt of the notice, pay to the insurer an additional premium specified in the notice.
- (4) If the insured fails to pay an additional premium when required to do so under clause (3) (b) of this condition, the contract is terminated at that time and Statutory Condition 5 (2) (a) applies in respect of the unearned portion of the premium.

Termination of insurance

5. (1) The contract may be terminated
- (a) by the insurer giving to the insured 15 days' notice of termination by registered mail or 5 days' written notice of termination personally delivered, or
 - (b) by the insured at any time on request.
- (2) If the contract is terminated by the insurer,
- (a) the insurer must refund the excess of premium actually paid by the insured over the prorated premium for the expired time, but in no event may the prorated premium for the expired time be less than any minimum retained premium specified in the contract, and
 - (b) the refund must accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund must be made as soon as is practicable.
- (3) If the contract is terminated by the insured, the insurer must refund as soon as is practicable the excess of premium actually paid by the insured over the short rate premium for the expired time specified in the contract, but in no event may the short rate premium for the expired time be less than any minimum retained premium specified in the contract.
- (4) The 15-day period referred to in clause (1) (a) of this condition starts to run on the day following the day on which the registered letter or notification of it is delivered to the insured's postal address.

Requirements after loss

6. (1) On the happening of any loss of or damage to insured property, the insured must, if the loss or damage is covered by the contract, in addition to observing the requirements of Statutory Condition 9,
- (a) immediately give notice in writing to the insurer,
 - (b) deliver as soon as is practicable to the insurer a proof of loss in respect of the loss or damage to the insured property verified by statutory declaration,
 - (i) giving a complete inventory of that property and showing in detail quantities and costs of that property and particulars of the amount of loss claimed;
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the insured knows or believes;
 - (iii) stating that the loss did not occur through any wilful act or neglect or the procurement, means or connivance of the insured;
 - (iv) stating the amount of other insurances and the names of other insurers;
 - (v) stating the interest of the insured and of all others in that property with particulars of all liens, encumbrances and other charges on that property,
 - (vi) stating any changes in title, use, occupation, location, possession or exposure of the property since the contract was issued; and
 - (vii) stating the place where the insured property was at the time of loss,
 - (c) if required by the insurer, give a complete inventory of undamaged property showing in detail quantities and cost of that property, and
 - (d) if required by the insurer and if practicable,
 - (i) produce books of account and inventory lists,
 - (ii) provide invoices and other vouchers verified by statutory declaration, and
 - (iii) provide a copy of the written portion of any other relevant contract.
- (2) The evidence given, produced or provided under clauses (1)(c) and (d) of this condition must not be considered proofs of loss within the meaning of Statutory Conditions 12 and 13.

Fraud

7. Any fraud or wilfully false statement in a statutory declaration in relation to the particulars required under Statutory Condition 6 invalidates the claim of the person who made the declaration.

Who may give notice and proof

8. Notice of loss under Statutory Condition 6 (1) (a) may be given and the proof of loss under Statutory Condition 6 (1) (b) may be made
- (a) by the agent of the insured, if
 - (i) the insured is absent or unable to give the notice or make the proof, and
 - (ii) the absence or inability is satisfactorily accounted for, or
 - (b) by a person to whom any part of the insurance money is payable, if the insured refuses to do so or in the circumstances described in clause (a) of this condition.

Salvage

9. (1) In the event of loss of or damage to insured property, the insured must take all reasonable steps to prevent further loss of or damage to that property and to prevent loss of or damage to other property insured under the contract, including, if necessary, removing the property to prevent loss or damage or further loss or damage to the property.
- (2) The insurer must contribute on a prorated basis towards any reasonable and proper expenses in connection with steps taken by the insured under subsection (1) of this condition.

Entry, control, abandonment

10. After loss of or damage to insured property, the insurer has:
- (a) an immediate right of access and entry by accredited representatives sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and
 - (b) after the insured has secured the property, a further right of access and entry by accredited representatives sufficient to enable them to appraise or estimate the loss or damage; but
 - (i) without the insured's consent, the insurer is not entitled to the control or possession of the insured property, and
 - (ii) without the insurer's consent, there can be no abandonment to it of the insured property.

In case of disagreement

11. (1) In the event of disagreement as to the value of the insured property, the value of the property saved, the nature and extent of the repairs or replacements required or, if made, their adequacy, or the amount of the loss or damage, those questions must be determined using the applicable dispute resolution process set out in the *Insurance Act*, whether or not the insured's right to recover under the contract is disputed, and independently of all other questions.
- (2) There is no right to a dispute resolution process under this condition until
- (a) a specific demand is made for it in writing, and
 - (b) the proof of loss has been delivered to the insurer.

When loss payable

12. Unless the contract provides for a shorter period, the loss is payable within 60 days after the proof of loss is completed in accordance with Statutory Condition 6 and delivered to the insurer.

Repair or replacement

13. (1) Unless a dispute resolution process has been initiated, the insurer, instead of making payment, may repair, rebuild or replace the insured property lost or damaged, on giving written notice of its intention to do so within 30 days after receiving the proof of loss.
- (2) If the insurer gives notice under subsection (1) of this condition, the insurer must begin to repair, rebuild or replace the property within 45 days after receiving the proof of loss, and must proceed with all due diligence to complete the work within a reasonable time.

Notice

14. (1) Written notice to the insurer may be delivered at, or sent by registered mail to, the chief office or head office of the insurer in the province.
- (2) Written notice to the insured may be personally delivered at, or sent by registered mail addressed to, the insured's last known address as provided to the insurer by the insured.

23/09/2022

LSW1861

PREMIUM PAYMENT CLAUSE

The (Re)Insured undertakes that premium will be paid in full to Underwriters within 30 days of inception of this policy (or, in respect of instalment premiums, when due).

If the premium due under this policy has not been so paid to Underwriters by the 30th day from the inception of this policy (and, in respect of instalment premiums, by the date they are due) Underwriters shall have the right to cancel this policy by notifying the (Re)Insured via

the broker in writing. In the event of cancellation, premium is due to Underwriters on a pro rata basis for the period that Underwriters are on risk but the full policy premium shall be payable to Underwriters in the event of a loss or occurrence prior to the date of termination which gives rise to a valid claim under this policy.

It is agreed that Underwriters shall give not less than 15 days prior notice of cancellation to the (Re)Insured via the broker. If premium due is paid in full to Underwriters before the notice period expires, notice of cancellation shall automatically be revoked. If not, the policy shall automatically terminate at the end of the notice period.

Unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorised to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Where the premium is to be paid through a London Market Bureau, payment to Underwriters will be deemed to occur on the day of delivery of a premium advice note to the Bureau.

11/01
LSW3000

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE - PHYSICAL DAMAGE - DIRECT

This Policy does not cover any loss or damage arising directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination however such nuclear reaction nuclear radiation or radioactive contamination may have been caused * NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this Policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

* NOTE. - If Fire is not an insured peril under this Policy the words "NEVERTHELESS" to the end of the clause do not apply and should be disregarded.

7/5/59
NMA1191 (amended)

ELECTRONIC DATE RECOGNITION EXCLUSION (EDRE)

This Policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- (a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not; or
- (b) any change, alteration, or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, programme or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

17/12/97
NMA2802

WAR AND TERRORISM EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

08/01
NMA2918

BIOLOGICAL OR CHEMICAL MATERIALS EXCLUSION

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

06/02/03
NMA2962

Growing or Selling of Plants, Drugs &/or Substances PPDSX Exclusions

This Policy does not cover loss or damage arising from any activity relating to the growing, cultivation, harvesting, manufacture, distribution, or sale of cannabis and/or related products whether or not the Insured has knowledge of such activity(ies).

Any claims, losses or expenses which arise from the Insured's consumption, possession or sale of cannabis or a plant, drug and/or substance categorized as "Illegal" under the Federal Controlled Drugs and Services Act, are excluded under this policy, whether or not the Insured has knowledge of such activity(ies).

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

NOTWITHSTANDING anything contained in this Insurance to the contrary this Insurance may be cancelled by the Insured at any time by written notice or by surrendering of this contract of insurance. This Insurance may also be cancelled by or on behalf of the Underwriters by delivering to the Insured or by mailing to the Insured, by registered, certified or other first class mail, at the Insured's address as shown in this Insurance, written notice stating when, not less than 30 days thereafter, the cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.

If this Insurance shall be cancelled by the Insured the Underwriters shall retain the customary short rate proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein whichever is the greater.

If this Insurance shall be cancelled by or on behalf of the Underwriters the Underwriters shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein whichever is the greater.

Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of Cancellation but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Radioactive Contamination and Explosive Nuclear Assemblies Exclusion Clause

NMA1662

(Approved by Lloyd's Underwriters' Non-Marine Association)

(For use on professional liability insurance contracts)

This policy does not cover:

- (a) Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
- (b) Any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from

- (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Nuclear Incident Exclusion Clause-Liability-Direct NMA1978A (Broad) Canada

(For use with all Public Liability Policies except Personal, Farmers' and Storekeepers') It is agreed that this Policy does not apply:

- (a) to liability imposed by or arising from any nuclear liability act, law or statute, or any law amendatory thereof; nor
- (b) to bodily injury or property damage with respect to which an Insured under this policy is also insured under a contract of nuclear energy liability insurance (whether the Insured is unnamed in such contract and whether or not it is legally enforceable by the Insured) issued by the Nuclear Insurance Association of Canada or any other insurer or group or pool of insurers or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; nor
- (c) to bodily injury or property damage resulting directly or indirectly from the nuclear energy hazard arising from:
 - i. the ownership, maintenance, operation or use of a nuclear facility by or on behalf of an Insured;
 - ii. the furnishing by an Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility; and
 - iii. the possession, consumption, use, handling, disposal or transportation of fissionable substances, or of other radioactive material (except radioactive isotopes, away from a nuclear facility, which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose) used, distributed, handled or sold by an Insured.

As used in this policy:

1. The term "nuclear energy hazard" means the radioactive, toxic, explosive, or other hazardous properties of radioactive material;
2. The term "radioactive material" means uranium, thorium, plutonium, neptunium, their respective derivatives and compounds, radioactive isotopes of other elements and any other substances which may be designated by or pursuant to any law, act or statute, or law amendatory thereof as being prescribed substances capable of releasing atomic energy, or as being requisite for the production, use or application of atomic energy;
3. The term "nuclear facility" means:
 - a. any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of plutonium, thorium and uranium or any one or more of them;
 - b. any equipment or device designed or used for i. separating the isotopes of plutonium, thorium and uranium or any one or more of them,
 - ii. processing or utilising spent fuel, or
 - iii. handling, processing or packaging waste;
 - c. any equipment or device used for the processing, fabricating or alloying of plutonium, thorium or uranium enriched in the isotope uranium 233 or in the isotope uranium 235, or any one or more of them if at any time the total amount of such material in the custody of the Insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste radioactive material; and includes the site on which any of the foregoing is located, together with all operations conducted thereon and all premises used for such operations.
4. The term "fissionable substance" means any prescribed substance that is, or from which can be obtained, a substance capable of releasing atomic energy by nuclear fission.
5. With respect to property, loss of use of such property shall be deemed to be property damage. It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this Clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Seepage And/Or Pollution And/Or Contamination Exclusion

NMA2342

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure:

- a. any loss, damage, cost or expense, or
- b. any increase in insured loss, damage, cost or expense, or
- c. any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority; or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term 'any kind of seepage or any kind of pollution and/or contamination' as used in this Endorsement includes (but is not limited to): seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a 'hazardous substance' by the United States Environmental Protection Agency or as a 'hazardous material' by the United States Department of Transportation, or defined as a 'toxic substance' by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

The Named Insured, for itself and all Insureds, consents to this Policy and all notices required hereunder being drafted and delivered in the English language.

L'assuré, en son nom propre et au nom de tous les assurés, consent expressément à ce que le présent contrat et tous les avis exigés par les présentes soient rédigés et transmis en anglais.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

This Policy does not cover any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:

1. the actual, alleged or threatened presence of or exposure to asbestos in any form whatsoever, or
2. any obligation, request, demand, order, or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against, indemnify for any costs or damages relating to or in any other way respond to the actual, alleged or threatened presence of asbestos in any form whatsoever.

Notwithstanding any other provisions of this Policy, Insurers will have no duty to investigate, defend or pay defence costs in respect of any claim excluded in whole or in part under paragraphs (1) or (2) hereof.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Quebec Amendatory Endorsement Quebec Civil Code Amendment

QAECC

Where this policy is required to be interpreted by the law of the Province of Quebec then the policy provisions shall be deemed to be amended to comply with the applicable provisions of the Quebec Civil Code, but only to the extent necessary to comply with requirements of the Quebec Civil Code and only to the extent that the Quebec Civil Code in law governs this contract. Every action or proceeding against an insurer for the recovery of insurance money payable under the contract is absolutely barred unless commenced within the time set out in the Quebec Civil Code.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

PLEASE NOTE – This notice contains important information. PLEASE READ CAREFULLY

The liability of an insurer under this contract is several and not joint with other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Territorial Exclusion: Russia, Ukraine and Belarus LMA5583B

Notwithstanding anything to the contrary in this Policy, this Policy excludes any loss, damage, liability, cost or expense of whatsoever nature, directly or indirectly arising from or in respect of any:

- i. entity domiciled, resident, located, incorporated, registered or established in an **Excluded Territory**;
- ii. property or asset located in an **Excluded Territory**;
- iii. individual that is physically in an **Excluded Territory**;
- iv. claim, action, suit or enforcement proceeding brought or maintained in an **Excluded Territory**;
- v. payment in an **Excluded Territory**.

This exclusion will not apply to any coverage or benefit required to be provided by the insurer by law or regulation applicable to that insurer, however, the terms of any sanctions clause will prevail.

For purposes of this exclusion, "**Excluded Territory**" means:

- Belarus (Republic of Belarus); and
- Russian Federation; and
- Ukraine (including any disputed regions of Ukraine and including the Crimean Peninsula)

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Perfluorinated Compounds, Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) Exclusion No. 2

LMA5596A

Attaching to and forming part of the General Liability Form.

1. This POLICY does not cover any claim for actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with any PFAS, such as any perfluoroalkyl or polyfluoroalkyl substances for example.
2. For the purposes of this Exclusion, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor, contain, test for or in any way respond to or assess the effect of any PFAS, such as any perfluoroalkyl or polyfluoroalkyl substances for example.
3. If UNDERWRITERS allege that this Exclusion applies to any claim under this POLICY the burden of proving the contrary shall be upon the INSURED.
4. PFAS means any organic molecule, salt, free radical or ion, the composition of which includes at least one:
 - a. perfluorinated methyl group (-CF₃); or
 - b. perfluorinated methylene group (-CF₂-).

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

Several Liability Notice LSW1001

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

ALL OTHER TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS OF THE POLICY REMAIN UNALTERED.

LLOYD'S UNDERWRITERS' POLICYHOLDERS' COMPLAINT PROTOCOL

Lloyd's strives to enhance your customer experience with us through superior service and innovative insurance products.

We have developed a formal complaint handling protocol in accordance with the Insurance Companies Act of Canada to ensure your concerns as our valued customer are addressed expeditiously by our representatives. This protocol will assist you in understanding the steps we will undertake to help resolve any dispute which may arise with our product or service. All complaints will be handled in a professional manner. All complaints will be investigated, acted upon, and responded to in writing or by telephone by a Lloyd's representative promptly after the receipt of the complaint. If you are not satisfied with our products or services, you can take the following steps to address the issue:

- Firstly, please contact the broker who arranged the insurance on your behalf about your concerns so that he or she may have the opportunity to help resolve the situation.
- If your broker is unable to help resolve your concerns, we ask that you provide us in writing an outline of your complaint along with the name of your broker and your policy number.

Please forward your complaint to:

Lloyd's Underwriters

Attention: Complaints Officer:

Royal Bank Plaza South Tower, 200 Bay Street, Suite 2930, P.O. Box 51, Toronto, Ontario, M5J 2J2

Tel: 1-877-455-6937 - Fax: (514) 861-0470

E-mail: info@lloyds.ca

Your complaint will be directed to the appropriate business contact for handling. They will write to you within two business days to acknowledge receipt of your complaint and to let you know when you can expect a full response. If need be, we will also engage internal staff in Lloyd's Policyholder and Market Assistance Department in London, England, who will respond directly to you, and in the last stages, they will issue a final letter of position on your complaint.

In the event that your concerns are still not addressed to your satisfaction, you have the right to continue your pursuit to have your complaint reviewed by the following organizations:

General Insurance OmbudService (GIO): assists in the resolution of conflicts between insurance customers and their insurance companies. The GIO can be reached at:

Toll free number: 1-877-225-0446

www.giocanada.org

For Quebec clients:

Autorité des marchés financiers (AMF): The regulation of insurance companies in Quebec is administered by the AMF. If you remain dissatisfied with the manner in which your complaint has been handled, or with the results of the complaint protocol, you may send your complaint to the AMF who will study your file and who may recommend mediation, if it deems this action appropriate and if both parties agree to it. The AMF can be reached at

Toll Free: 1-877-525-0337

Québec: (418) 525-0337

Montréal: (514) 395-0311

www.lautorite.qc.ca

If you have a complaint specifically about Lloyd's Underwriters' complaints handling procedures you may contact the FCAC.

Financial Consumer Agency of Canada (FCAC) provides consumers with accurate and objective information about financial products and services, and informs Canadians of their rights and responsibilities when dealing with financial institutions. FCAC also ensures compliance with the federal consumer protection laws that apply to banks and federally incorporated trust, loan and insurance companies. The FCAC does not get involved in individual disputes. The FCAC can be reached at:

427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9

Services in English: 1-866-461-FCAC (3222)

Services in French: 1-866-461-ACFC (2232)

www.fcac-acfc.gc.ca

Business Income General Policy Conditions (All Provinces excluding Quebec)

G01

This Policy is made and accepted subject to the provisions, stipulations and conditions printed herein which are hereby specially referred to and made a part of this Policy together with such other provisions, agreements, or conditions as may be endorsed herein or added hereto. No term or condition of a contract shall be deemed to be waived by the Insurer in whole or in part unless the waiver is clearly expressed in writing signed by a person authorized for that purpose by the Insurer. Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of a contract by any act relating to the appraisal of the amount of loss or to the delivery and completion of proofs, or to the investigation or adjustment of any claim under the contract. By the acceptance of this Policy the Insured acknowledges the cancellation, from the effective date of this Policy, of any previous Policy, or the renewal thereof, which is stated as being replaced.

Policy Conditions

MISREPRESENTATION

1. If a person applying for insurance falsely describes, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract shall be void as to any claim in relation to which the misrepresentation or omission is material.

CHANGE OF INTEREST

2. This policy shall be avoided if at any time after the commencement of this insurance
 - i) the business as specified on the Declaration Page is wound up or carried on by a liquidator or receiver or permanently discontinued; or
 - ii) the Insured's interest ceases otherwise than by death; unless its continuance be admitted by endorsement signed by or on behalf of the Insurer.

MATERIAL CHANGE

3. Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent; and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if the Insured desires the contract to continue in force, the Insured must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract shall no longer be in force and the Insurer shall return the unearned portion, if any, of the premium paid.

TERMINATION OF INSURANCE

4.
 - 1) This contract may be terminated:
 - a) by the Insurer giving to the Insured 15 days' notice of termination by registered mail, or 5 days' written notice of termination personally delivered.
 - b) by the Insured at any time on request.
 - 2) Where this contract is terminated by the Insurer
 - a) the Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but in no event shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified; and
 - b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
 - 3) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of premium actually paid by the Insured over the short rate premium for the expired time, but in no event, shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
 - 4) The refund may be made by money, postal or express company money order, or by cheque payable at par.
 - 5) The 15 days mentioned in Clause (a) of Subcondition (1) of this Condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.

REQUIREMENTS AFTER LOSS

5. Upon the occurrence of any loss of or damage to the property in consequence of which a claim is or may be made under this policy, the Insured shall
 - a) forthwith give notice thereof in writing to the Insurer;
 - b) at the Insured's own expense deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration setting forth particulars of the Insured's claim, together with details of any other insurances covering business income, business interruption or other consequential loss of any kind resulting from the lost or damaged property and stating the loss of or damage to the property did not occur through any wilful act or neglect or the procurement, means or connivance of the Insured;

Business Income General Policy Conditions (All Provinces excluding Quebec)

G01

- c) at the Insured's own expense produce and furnish to the Insurer such books of accounts and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim.

CLAIMS

- 6. No claim under this policy shall be payable unless the terms of Condition 5 above have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Insurer forthwith.

FRAUD

- 7. Any fraud or wilfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.

WHO MAY GIVE NOTICE AND PROOF

- 8. Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.

APPRAISAL

- 9. In the event of disagreement as to the amount to be paid under this policy (liability being otherwise admitted), such disagreement shall be referred to and resolved by appraisal as provided under The Insurance Act. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.

WHEN LOSS PAYABLE

- 10. The loss shall be payable within sixty days after completion of the proof of loss.

ACTION

- 11. Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract shall be absolutely barred unless commenced within one year next after the loss or damage occurs.

NOTICE

- 12. Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the province. Written notice may be given to the Insured named in the contract by letter personally delivered to the Insured or by registered mail addressed to the Insured at the Insured's latest post office address as notified to the Insurer. In this condition the expression "registered" means registered in or outside Canada.

CONTRIBUTION

- 13. If on the happening of any loss or damage to property in consequence of which a claim is or may be made under this policy there is in force more than one contract covering the same interest, the liability of the Insurer hereunder shall be limited to its rateable proportion of such claim.

IMPORTANT

The notice below applies to insurance contracts containing non automobile legal liability coverages in provinces where statistical data relating to such contracts must be reported to the Superintendent of Insurance.

LEGAL AUTHORITY FOR COLLECTION

Insurance Act, R.S.O. 1990, c.I.8, section 101(1).

PRINCIPAL PURPOSE FOR WHICH PERSONAL INFORMATION IS INTENDED TO BE USED

Information collected by insurers from insureds or supplied to insurers pertaining to the attached document will be used:

- to compile aggregate statistical data to be used in monitoring trends in the insurance industry;
- to develop statistical exhibits to be used in monitoring the insurance industry;
- to respond to requests for customized statistical information on the insurance industry;
- to respond to inquiries on statistical information made to Office of the Superintendent of Insurance;
- and
- to use and disclose such information for purposes which are consistent with the previous clauses.

THE PUBLIC OFFICIAL WHO CAN ANSWER QUESTIONS ABOUT THE COLLECTION IS:

Manager, Statistical Services
Financial Services Commission of Ontario
5160 Yonge Street, 17th Floor
Box 85
North York, Ontario M2N 6L9

Telephone: (416) 250-7250
Fax: (416) 590-7070

A. STANDARD MORTGAGE CLAUSE (approved by the Insurance Bureau of Canada) - IT IS HEREBY PROVIDED AND AGREED THAT

1. **BREACH OF CONDITIONS BY MORTGAGOR, OWNER OR OCCUPANT** - This insurance and every documented renewal thereof--AS TO THE INTEREST OF THE MORTGAGEE ONLY THEREIN--is and shall be in force notwithstanding any act, neglect, omission or misrepresentation attributable to the mortgagor, owner or occupant of the property insured, including transfer of interest, any vacancy or non-occupancy, or the occupation of the property for purposes more hazardous than specified in the description of the risk;
PROVIDED ALWAYS that the Mortgagee shall notify forthwith the Insurer (if known) of any vacancy or non-occupancy extending beyond thirty (30) consecutive days, or of any transfer of interest or increased hazard THAT SHALL COME TO HIS KNOWLEDGE; and that every increase of hazard (not permitted by the Policy) shall be paid for by the Mortgagee--on reasonable demand--from the date such hazard existed, according to the established scale of rates for the acceptance of such increased hazard, during the continuance of this insurance.
2. **RIGHT OF SUBROGATION** - Whenever the Insurer pays the Mortgagee any loss award under this Policy and claims that --as to the Mortgagor or Owner--no liability therefor existed, it shall be legally subrogated to all rights of the Mortgagee against the Insured; but any subrogation shall be limited to the amount of such loss payment and shall be subordinate and subject to the basic right of the Mortgagee to recover the full amount of its mortgage equity in priority to the Insurer; or the Insurer may at its option pay the Mortgagee all amounts due or to become due under the mortgage or on the security thereof, and shall thereupon receive a full assignment and transfer of the mortgage together with all securities held as collateral to the mortgage debt.
3. **OTHER INSURANCE** - If there be other valid and collectible insurance upon the property with loss payable to the Mortgagee--at law or in equity--then any amount payable thereunder shall be taken into account in determining the amount payable to the Mortgagee.
4. **WHO MAY GIVE PROOF OF LOSS** - In the absence of the Insured, or the inability, refusal or neglect of the Insured to give notice of loss or deliver the required Proof of Loss under the Policy, then the Mortgagee may give the notice upon becoming aware of the loss and deliver as soon as practicable the Proof of Loss.
5. **TERMINATION** - The term of this mortgage clause coincides with the term of the Policy;
PROVIDED ALWAYS that the Insurer reserves the right to cancel the Policy as provided by Statutory provision but agrees that the Insurer will neither terminate nor alter the Policy to the prejudice of the Mortgagee without the notice stipulated in such Statutory provision.
6. **FORECLOSURE** - Should title or ownership to said property become vested in the Mortgagee and/or assigns as owner or purchaser under foreclosure or otherwise, this insurance shall continue until expiry or cancellation for the benefit of the said Mortgagee and/or assigns.

SUBJECT TO THE TERMS OF THIS MORTGAGE CLAUSE (and these shall supersede any policy provisions in conflict therewith BUT ONLY AS TO THE INTEREST OF THE MORTGAGEE), loss under this policy is made payable to the Mortgagee.

B. APPLICATION OF DEDUCTIBLE

Should one occurrence give rise to the application of more than one deductible, only the largest individual deductible amount shall apply.

C. STATUTORY CONDITIONS (Applicable in all jurisdictions except the Province of Québec)

1. **MISREPRESENTATION** - If a person applying for insurance falsely describes the property to the prejudice of the Insurer, or misrepresents or fraudulently omits to communicate any circumstance that is material to be made known to the Insurer in order to enable it to judge of the risk to be undertaken, the contract is void as to any property in relation to which the misrepresentation or omission is material.
2. **PROPERTY OF OTHERS** - Unless otherwise specifically stated in the contract, the Insurer is not liable for loss or damage to property owned by any person other than the Insured, unless the interest of the Insured therein is stated in the contract.
3. **CHANGE OF INTEREST** - The Insurer is liable for loss or damage occurring after an authorized assignment under the Bankruptcy Act or change of title by succession, by operation of law, or by death.
4. **MATERIAL CHANGE** - Any change material to the risk and within the control and knowledge of the Insured avoids the contract as to the part affected thereby, unless the change is promptly notified in writing to the Insurer or its local agent, and the Insurer when so notified may return the unearned portion, if any, of the premium paid and cancel the contract, or may notify the Insured in writing that, if he desires the contract to continue in force, he must, within fifteen days of the receipt of the notice, pay to the Insurer an additional premium, and in default of such payment the contract is no longer in force and the Insurer shall return the unearned portion, if any, of the premium paid.
5. **TERMINATION**
 - i) This contract may be terminated
 - (a) by the Insurer giving to the Insured fifteen days' notice of termination by registered mail or five days' written notice of termination personally delivered
 - (b) by the Insured at any time on request.
 - ii) Where this contract is terminated by the Insurer,

- (a) the Insurer shall refund the excess of premium actually paid by the Insured over the pro rata premium for the expired time, but, in no event, shall the pro rata premium for the expired time be deemed to be less than any minimum retained premium specified, and
 - (b) the refund shall accompany the notice unless the premium is subject to adjustment or determination as to amount, in which case the refund shall be made as soon as practicable.
 - iii) Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of the premium actually paid by the Insured over the short rate premium for the expired time, but in no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.
 - iv) The refund may be made by money, postal or express company money order or cheque payable at par.
 - v) The fifteen days mentioned in clause (a) of subcondition i) of this condition commences to run on the day following the receipt of the registered letter at the post office to which it is addressed.
- 6. REQUIREMENTS AFTER LOSS**
- i) Upon the occurrence of any loss of or damage to the insured property, the Insured shall, if the loss or damage is covered by the contract, in addition to observing the requirements of conditions 9, 10 and 11
 - (a) forthwith give notice thereof in writing to the Insurer
 - (b) deliver as soon as practicable to the Insurer a proof of loss verified by a statutory declaration,
 - (i) giving a complete inventory of the destroyed and damaged property and showing in detail quantities, costs, actual cash value and particulars of amount of loss claimed
 - (ii) stating when and how the loss occurred, and if caused by fire or explosion due to ignition, how the fire or explosion originated, so far as the Insured knows or believes
 - (iii) stating that the loss did not occur through any willful act or neglect or the procurement, means or connivance of the Insured
 - (iv) showing the amount of other insurances and the names of other Insurers
 - (v) showing the interest of the Insured and of all others in the property with particulars of all liens, encumbrances and other charges upon the property
 - (vi) showing any changes in title, use, occupation, location, possession or exposures of the property since the issue of the contract
 - (vii) showing the place where the property insured was at the time of loss
 - (c) if required, give a complete inventory of undamaged property and showing in detail quantities, cost, actual cash value
 - (d) if required and if practicable, produce books of account, warehouse receipts and stock lists, and furnish invoices and other vouchers verified by statutory declaration, and furnish a copy of the written portion of any other contract.
 - ii) The evidence furnished under clauses (c) and (d) of sub-paragraph i) of this condition shall not be considered proofs of loss within the meaning of conditions 12 and 13.
- 7. FRAUD** - Any fraud or willfully false statement in a statutory declaration in relation to any of the above particulars, vitiates the claim of the person making the declaration.
- 8. WHO MAY GIVE NOTICE AND PROOF** - Notice of loss may be given and proof of loss may be made by the agent of the Insured named in the contract in case of absence or inability of the Insured to give the notice or make the proof, and absence or inability being satisfactorily accounted for, or in the like case, or if the Insured refuses to do so, by a person to whom any part of the insurance money is payable.
- 9. SALVAGE**
- i) The Insured, in the event of any loss or damage to any property insured under the contract, shall take all reasonable steps to prevent further damage to such property so damaged and to prevent damage to other property insured hereunder including, if necessary, its removal to prevent damage or further damage thereto.
 - ii) The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with steps taken by the Insured and required under sub-paragraph i) of this condition according to the respective interests of the parties.
- 10. ENTRY, CONTROL, ABANDONMENT** - After loss or damage to insured property, the Insurer has an immediate right of access and entry by accredited agents sufficient to enable them to survey and examine the property, and to make an estimate of the loss or damage, and, after the Insured has secured the property, a further right of access and entry sufficient to enable them to make appraisal or particular estimate of the loss or damage, but the Insurer is not entitled to the control or possession of the insured property, and without the consent of the Insurer there can be no abandonment to it of insured property.
- 11. APPRAISAL** - In the event of disagreement as to the value of the property insured, the property saved or the amount of the loss, those questions shall be determined by appraisal as provided under The Insurance Act before there can be any recovery under this contract whether the right to recover on the contract is disputed or not, and independently of all other questions. There shall be no right to an appraisal until a specific demand therefor is made in writing and until after proof of loss has been delivered.
- 12. WHEN LOSS PAYABLE** - The loss is payable within sixty (60) days after completion of the proof of loss, unless the contract provides for a shorter period.
- 13. REPLACEMENT**

- i) The Insurer, instead of making payment, may repair, rebuild, or replace the property damaged or lost, giving written notice of its intention so to do within thirty (30) days after receipt of the proofs of loss.
 - ii) In that event the Insurer shall commence to so repair, rebuild, or replace the property within forty-five (45) days after receipt of the proofs of loss, and shall thereafter proceed with all due diligence to the completion thereof.
 - 14. ACTION - Every action or proceeding against the Insurer for the recovery of any claim under or by virtue of this contract is absolutely barred unless commenced within one year* next after the loss or damage occurs.
* two years in Province of Manitoba and Yukon Territory.
Saskatchewan Statutory Condition 14 is repealed. See The Limitations Act, S.S. 2004, c.L-16.1
 - 15. NOTICE - Any written notice to the Insurer may be delivered at, or sent by registered mail to, the chief agency or head office of the Insurer in the Province. Written notice may be given to the Insured named in the contract by letter personally delivered to him or by registered mail addressed to him at his latest post office address as notified to the Insurer. In this condition, the expression "registered" means registered in or outside Canada.
- D. ADDITIONAL CONDITIONS (Applicable in all jurisdictions except the Province of Québec)**
- 1. NOTICE TO AUTHORITIES - Where the loss is due to malicious acts, burglary, robbery, theft, or attempt thereof, or is suspected to be so due, the Insured shall give immediate notice thereof to the police or other authorities having jurisdiction.
 - 2. NO BENEFIT TO BAILEE - It is warranted by the Insured that this insurance shall in no wise enure directly or indirectly to the benefit of any carrier or other bailee.
 - 3. PAIR AND SET - In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are a part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.
 - 4. PARTS - In the case of loss of or damage to any part of the insured property whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.
 - 5. SUE AND LABOUR - It is the duty of the Insured in the event that any property insured hereunder is lost to take all reasonable steps in and about the recovery of such property. The Insurer shall contribute pro rata towards any reasonable and proper expenses in connection with the foregoing according to the respective interests of the parties.
 - 6. BASIS OF SETTLEMENT - Unless otherwise provided, the Insurer is not liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost to repair or replace the same with material of like kind and quality.
 - 7. SUBROGATION - The Insurer, upon making any payment or assuming liability therefor under this Policy, shall be subrogated to all rights of recovery of the Insured against any person, and may bring action in the name of the Insured to enforce such rights. Where the net amount recovered after deducting the costs of recovery is not sufficient to provide a complete indemnity for the loss or damage suffered, that amount shall be divided between the Insurer and the Insured in the proportions in which the loss or damage has been borne by them respectively.
- E. GENERAL CONDITIONS (Applicable in the Province of Québec)**
- This policy is subject to the Civil Code of the Province of Québec
Reference to Civil Code articles in some instances is for easier reading only and should not be construed as exact quotations.
For all coverages except where inapplicable.
- 1. STATEMENTS
 - 1.1 Representation of risk (article 2408)
The client, and the Insured if the Insurer requires it, is bound to represent all the facts known to him which are likely to materially influence an insurer in the setting of the premium, the appraisal of the risk or the decision to cover it, but he is not bound to represent facts known to the Insurer or which from their notoriety he is presumed to know, except in answer to inquiries.
The client means the person submitting an insurance application.
 - 1.2 Material change in risk (articles 2466 and 2467)
The Insured shall promptly notify the Insurer of any change that increases the risks stipulated in the policy and that results from events within his control if it is likely to materially influence an insurer in setting the rate of the premium, appraising the risk or deciding to continue to insure it.
On being notified of any material change in the risk, the Insurer may cancel the contract or propose, in writing, a new rate of premium. Unless the new premium is accepted and paid by the Insured within thirty days of the proposal, the policy ceases to be in force.
 - 1.3 Misrepresentations or concealment (Articles 2410, 2411 and 2466)
Any misrepresentation or concealment of relevant facts mentioned in section 1.1 and in the first paragraph of section 1.2 by the client or the Insured nullifies the contract at the instance of the Insurer, even in respect of losses not connected with the risk so misrepresented or concealed.

Unless the bad faith of the client or of the Insured is established or unless it is established that the Insurer would not have covered the risk if he had known the true facts, the Insurer remains liable towards the Insured for such proportion of the indemnity as the premium he collected bears to the premium he should have collected.

1.4 Warranties (Article 2412)

Any increase in risk resulting from a breach of warranty suspends the coverage until accepted by the Insurer or until such breach has been remedied by the Insured.

2. GENERAL PROVISIONS

2.1 Insurable interest (Articles 2481 and 2484)

(Applicable only to property insurance)

A person has an insurable interest in a property where the loss or deterioration of the property may cause him direct and immediate damage. It is necessary that the insurable interest exist at the time of the loss but not necessary that the same interest have existed throughout the duration of the contract. The insurance of a property in which the Insured has no insurable interest is null.

2.2 Changes (Article 2405)

The terms of this policy shall not be waived or changed except by endorsement.

2.3 Assignment (Articles 2475 and 2476)

This policy may be assigned only with the consent of the Insurer and in favour of a person who has an insurable interest in the insured property.

Upon the death or bankruptcy of the Insured or the assignment of his interest in the insurance to a co-Insured, the insurance continues in favour of the heir, trustee in bankruptcy or remaining Insured, subject to his performing the obligations that were incumbent upon the Insured.

2.4 Books and records

The Insurer and its authorized representatives shall have the right to examine the Insured's books and records related to the subject matter of this insurance at any time during the period of this policy and the three subsequent years.

2.5 Inspection

The Insurer and its authorized representatives shall have the right but are not obligated to make inspections of the risk, inform the Insured of the conditions found and recommend changes. Any inspections, surveys, findings or recommendations relate only to insurability and the premiums to be charged. They shall not constitute a warranty that the premises, property or operations are safe or healthful or comply with laws, codes or standards.

2.6 Currency

All limits of insurance, premiums and other amounts as expressed in this policy are in Canadian currency.

3. LOSSES

3.1 Notice of loss (Article 2470)

The Insured shall notify the Insurer of any loss which may give rise to an indemnity, as soon as he becomes aware of it. Any interested person may give such notice.

In the event that the requirement set out in the preceding paragraph is not fully complied with, all rights to compensation shall be forfeited by the Insured where such non-compliance has caused prejudice to the Insurer.

3.2 Information to be provided (Article 2471)

The Insured shall inform the Insurer as soon as possible of all the circumstances surrounding the loss, including its probable cause, the nature and extent of the damage, the location of the insured property, the rights of third parties, and any concurrent insurance; he shall also furnish him with vouchers and swear or warrant to the truth of the information.

Where, for a serious reason, the Insured is unable to fulfil such obligation, he is entitled to a reasonable time in which to do so. If the Insured fails to fulfil his obligation, any interested person may do so on his behalf.

In addition, the Insured shall forthwith send to the Insurer a copy of any notice, letter, subpoena or writ or document received in connection with a claim.

3.3 False representation (Article 2472)

Any deceitful representation entails the loss of the right of the person making it to any indemnity in respect of the risk to which the representation relates.

However, if the occurrence of the event insured against entails the loss of both movable and immovable property or of both property for occupational use and personal property, forfeiture is incurred only with respect to the class of property to which the representation relates.

3.4 Intentional Fault (Article 2464)

The Insurer is never liable to compensate for injury resulting from the Insured's intentional fault.

Where there is more than one Insured, the obligation of coverage remains in respect of those Insureds who have not committed an intentional fault.

Where the Insurer is liable for injury caused by a person for whose acts the Insured is liable, the obligation of coverage subsists regardless of the nature or gravity of that person's fault.

3.5 Notice to police (applicable to property insurance only)

The Insured must promptly give notice to the police of any loss caused by vandalism, theft or attempted theft or other criminal act.

3.6 Safeguarding and examination of property (Article 2495)

(applicable to property insurance only)

At the expense of the Insurer, the Insured must take all reasonable steps to prevent further loss or damage to the insured property and any further loss or damage resulting directly or indirectly from the Insured's failure to take such action shall not be recoverable.

The Insured may not abandon the damaged property if there is no agreement to that effect. The Insured shall facilitate the salvage and inspection of the insured property by the Insurer.

He shall, in particular, permit the Insurer and his representatives to visit the premises and examine the insured property before repairing, removing or modifying the damaged property, unless so required to safeguard the property.

3.7 Admission of liability and cooperation

The Insured shall cooperate with the Insurer in the processing of all claims

(The following two paragraphs are applicable to liability insurance only: article 2504)

No transaction made without the consent of the Insurer may be set up against him.

The Insured shall not admit any liability nor settle or attempt to settle any claim, except at his own risk.

3.8 Right of action (Article 2502)

(applicable to liability insurance only)

The Insurer may set up against the injured third person any grounds he could have invoked against the Insured at the time of the loss, but not grounds pertaining to facts that occurred after the loss; the Insurer has a right of action against the Insured in respect of facts that occurred after the loss.

4. COMPENSATION AND SETTLEMENT

4.1 Basis of settlement (Articles 2490, 2491, 2493)

(applicable to property insurance only)

Unless otherwise provided, the Insurer shall not be liable for more than the actual cash value of the property at the time of loss as normally determined.

In unvalued policies, the amount of insurance does not make proof of the value of the insured property. In valued policies, the agreed value makes complete proof, between the Insurer and the Insured, of the value of the insured property.

If the amount of insurance is less than the value of the property the Insurer is released by paying the amount of the insurance in the event of total loss or a proportional indemnity in the event of partial loss.

4.2 Pair and set (applicable to property insurance only)

In the case of loss of or damage to any article or articles, whether scheduled or unscheduled, which are part of a set, the measure of loss of or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, but in no event shall such loss or damage be construed to mean total loss of set.

4.3 Parts (applicable to property insurance only)

In the case of loss of or damage to any part of the insured property, whether scheduled or unscheduled, consisting, when complete for use, of several parts, the Insurer is not liable for more than the insured value of the part lost or damaged, including the cost of installation.

4.4 Replacement (Article 2494)

(applicable to property insurance only)

Subject to the rights of preferred and hypothecary creditors, the Insurer reserves the right to repair, rebuild or replace the insured property. He is then entitled to salvage and may take over the property.

4.5 Time of payment (Articles 1591, 2469 and 2473)

The Insurer shall pay the indemnity within sixty days after receiving the notice of loss or, at his request, all relevant information and vouchers, provided the Insured shall have complied with all the terms of the contract.

Any outstanding premium may be deducted from the indemnity payable.

4.6 Property of others (applicable to property insurance only)

Where a claim is made as a result of loss of or damage to property not owned by the Insured, the Insurer reserves the right to pay the indemnity to the Insured or to the owner of the property and to deal directly with such owner.

4.7 Waiver

Neither the Insurer nor the Insured shall be deemed to have waived any term or condition of the policy by any act relating to arbitration or to the completion or delivery of proof of loss, or to the investigation or adjustment of the claim.

4.8 Limitation of actions (Article 2925)

Every action or proceeding against the Insurer under this policy shall be commenced within three years from the date the right of action has arisen.

4.9 Subrogation (Article 2474)

Unless otherwise provided, the Insurer shall be subrogated to the extent of the amount paid or the liability assumed therefor under this policy to the rights of the Insured against persons responsible for the loss except when they are members of the Insured's household. The Insurer may be fully or partly released from his obligation towards the Insured where, owing to any act of the Insured, he cannot be so subrogated.

5. OTHER INSURANCE**5.1 Property insurance (Article 2496)**

The Insured who, without fraud, is insured by several insurers, under several policies, for the same interest and against the same risk so that the total amount of indemnity that would result from the separate performance of such policies would exceed the loss incurred may be indemnified by the insurer or insurers of his choice, each being liable only for the amount he has contracted for.

No clause suspending all or part of the performance of the contract by reason of other insurance may be used against the Insured.

Unless otherwise agreed, the indemnity is apportioned among the insurers in proportion to the share of each in the total coverage, except in respect of specific insurance, which constitutes primary insurance.

5.2 Liability insurance

The liability insurance provided under this policy is primary insurance except when stated to apply in excess of, or contingent upon the absence of, other insurance. When this insurance is primary and the Insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the Insurer's liability under this policy shall not be reduced by the existence of such other insurance. When both this insurance and other insurance apply to the loss on the same basis whether primary, excess or contingent, the Insurer shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable contribution provision below:

– Contribution by equal share:

If all of such other collectible insurance provides for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than would be payable if each insurer contributed an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of the loss is paid, and with respect to any amount of loss not so paid the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

– Contribution by limits:

If any such other insurance does not provide for contribution by equal shares, this Insurer shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

6. CANCELLATION (Articles 2477 and 2479)

This policy may be cancelled at any time:

- (a) By mere written notice from each of the Named Insureds. Termination takes effect upon receipt of the notice and the Insured shall therefore be entitled to a refund of the excess of the premium actually paid over the short-term rate for the expired time.
- (b) By the Insurer giving written notice to each Named Insureds. Termination takes effect fifteen days following receipt of such notice by the Insured at his last known address and the Insurer shall refund the excess of premium actually paid over the pro rata premium for the expired time. If the premium is subject to adjustment or determination as to amount, the refund shall be made as soon as practicable.

Where one or more of the Named Insureds have been mandated to receive or send the notices provided for under paragraph (a) or (b) above, notices sent or received by them shall be deemed to have been sent or received by all Named Insureds.

In this Condition, the words "premium actually paid" mean the premium actually paid by the Insured to the Insurer or its representative but do not include any premium or part thereof paid to the Insurer by a representative unless actually paid to the representative by the Insured.

7. NOTICE

Any notice to the Insurer may be sent by any recognized means of communication to the Insurer or its authorized representative. Notice may be given to the named Insured by letter personally delivered to him or by mail addressed to him at his last known address.

It is incumbent upon the sender to prove that such notice was received.

This insurance shall be governed by the law and jurisdiction of a Canadian province or territory as determined by the relevant Insurance Act.

How to Report a Claim to ABEX

G10

REGULAR BUSINESS HOURS

Email your completed CSIO Notice of Loss to claims@abexinsurance.com

Or fax to 1-855-821-7060

AFTER HOURS

After hours claims are handled directly by Crawford Adjusters.

They can be reached at: 1-877-313-2585

Or emailed to newabexclaims@crowco.ca

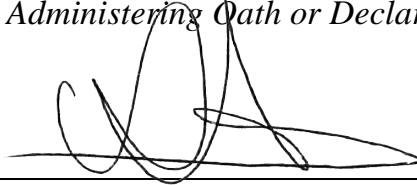
Short Rate Cancellation Table

G05

Where this contract is terminated by the Insured, the Insurer shall refund as soon as practicable the excess of the premium actually paid by the Insured over the short rate premium for the expired time as indicated in the table below. In no event shall the short rate premium for the expired time be deemed to be less than any minimum retained premium specified.

Days in force	% of premium returned	Days in force	% of premium returned	Days in force	% of premium returned	Days in force	% of premium returned	Days in force	% of premium returned	Days in force	% of premium returned
1	0.95	64	0.72	127	0.55	190	0.38	253	0.24	316	0.10
2	0.94	65	0.72	128	0.54	191	0.38	254	0.24	317	0.10
3	0.93	66	0.71	129	0.54	192	0.37	255	0.24	318	0.10
4	0.93	67	0.71	130	0.54	193	0.37	256	0.23	319	0.10
5	0.92	68	0.71	131	0.54	194	0.37	257	0.23	320	0.09
6	0.92	69	0.71	132	0.53	195	0.37	258	0.23	321	0.09
7	0.91	70	0.70	133	0.53	196	0.37	259	0.23	322	0.09
8	0.91	71	0.70	134	0.53	197	0.36	260	0.23	323	0.09
9	0.90	72	0.70	135	0.53	198	0.36	261	0.22	324	0.08
10	0.90	73	0.70	136	0.52	199	0.36	262	0.22	325	0.08
11	0.89	74	0.69	137	0.52	200	0.36	263	0.22	326	0.08
12	0.89	75	0.69	138	0.52	201	0.35	264	0.22	327	0.08
13	0.88	76	0.69	139	0.51	202	0.35	265	0.21	328	0.08
14	0.88	77	0.68	140	0.51	203	0.35	266	0.21	329	0.07
15	0.87	78	0.68	141	0.51	204	0.35	267	0.21	330	0.07
16	0.87	79	0.68	142	0.51	205	0.35	268	0.21	331	0.07
17	0.86	80	0.68	143	0.50	206	0.34	269	0.21	332	0.07
18	0.86	81	0.67	144	0.50	207	0.34	270	0.20	333	0.06
19	0.85	82	0.67	145	0.50	208	0.34	271	0.20	334	0.06
20	0.85	83	0.67	146	0.50	209	0.34	272	0.20	335	0.06
21	0.84	84	0.66	147	0.49	210	0.33	273	0.20	336	0.06
22	0.84	85	0.66	148	0.49	211	0.33	274	0.19	337	0.06
23	0.83	86	0.66	149	0.49	212	0.33	275	0.19	338	0.05
24	0.83	87	0.66	150	0.48	213	0.33	276	0.19	339	0.05
25	0.83	88	0.65	151	0.48	214	0.33	277	0.19	340	0.05
26	0.82	89	0.65	152	0.48	215	0.32	278	0.19	341	0.05
27	0.82	90	0.65	153	0.48	216	0.32	279	0.18	342	0.05
28	0.82	91	0.65	154	0.47	217	0.32	280	0.18	343	0.04
29	0.82	92	0.64	155	0.47	218	0.32	281	0.18	344	0.04
30	0.81	93	0.64	156	0.47	219	0.31	282	0.18	345	0.04
31	0.81	94	0.64	157	0.46	220	0.31	283	0.17	346	0.04
32	0.81	95	0.63	158	0.46	221	0.31	284	0.17	347	0.03
33	0.80	96	0.63	159	0.46	222	0.31	285	0.17	348	0.03
34	0.80	97	0.63	160	0.46	223	0.31	286	0.17	349	0.03
35	0.80	98	0.63	161	0.45	224	0.30	287	0.17	350	0.03
36	0.80	99	0.62	162	0.45	225	0.30	288	0.16	351	0.03
37	0.79	100	0.62	163	0.45	226	0.30	289	0.16	352	0.02
38	0.79	101	0.62	164	0.45	227	0.30	290	0.16	353	0.02
39	0.79	102	0.62	165	0.44	228	0.30	291	0.16	354	0.02
40	0.79	103	0.61	166	0.44	229	0.29	292	0.15	355	0.02
41	0.78	104	0.61	167	0.44	230	0.29	293	0.15	356	0.01
42	0.78	105	0.61	168	0.43	231	0.29	294	0.15	357	0.01
43	0.78	106	0.60	169	0.43	232	0.29	295	0.15	358	0.01
44	0.77	107	0.60	170	0.43	233	0.28	296	0.15	359	0.01
45	0.77	108	0.60	171	0.43	234	0.28	297	0.14	360	0.01
46	0.77	109	0.60	172	0.42	235	0.28	298	0.14	361	0.00
47	0.77	110	0.59	173	0.42	236	0.28	299	0.14	362	0.00
48	0.76	111	0.59	174	0.42	237	0.28	300	0.14	363	0.00
49	0.76	112	0.59	175	0.42	238	0.27	301	0.14	364	0.00
50	0.76	113	0.59	176	0.41	239	0.27	302	0.13	365	0.00
51	0.76	114	0.58	177	0.41	240	0.27	303	0.13		
52	0.75	115	0.58	178	0.41	241	0.27	304	0.13		
53	0.75	116	0.58	179	0.40	242	0.26	305	0.13		
54	0.75	117	0.57	180	0.40	243	0.26	306	0.12		
55	0.74	118	0.57	181	0.40	244	0.26	307	0.12		
56	0.74	119	0.57	182	0.40	245	0.26	308	0.12		
57	0.74	120	0.57	183	0.39	246	0.26	309	0.12		
58	0.74	121	0.56	184	0.39	247	0.25	310	0.12		
59	0.73	122	0.56	185	0.39	248	0.25	311	0.11		
60	0.73	123	0.56	186	0.39	249	0.25	312	0.11		
61	0.73	124	0.56	187	0.39	250	0.25	313	0.11		
62	0.73	125	0.55	188	0.38	251	0.24	314	0.11		
63	0.72	126	0.55	189	0.38	252	0.24	315	0.10		

This is Exhibit "F" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

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

A Commissioner for taking affidavits

DANIEL ALIEVSKY



COMMITMENT LETTER

Ref: CAL362330900138

June 29, 2023

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Sirs and Mesdames:

Re: ICICI Bank Canada loan to 2338486 Ontario Limited secured by a first charge/mortgage of the lands and premises municipally known as 392 and 398 Erb Street West, Waterloo, Ontario

We are pleased to confirm that ICICI Bank Canada (the "Lender") has agreed to provide a loan to 2338486 Ontario Limited, to be secured by a first charge/mortgage of the lands and premises municipally known as 392 and 398 Erb Street West, Waterloo, Ontario on the following terms and conditions:

1. **Borrower/Mortgagor:** 2338486 Ontario Limited (the "Borrower").
2. **Mortgagee:** The Lender.
3. **Loan Amount:** CDN\$2,800,000.00 (the "Loan").
4. **Loan Purpose:** To repay all existing debt of the Borrower that is secured by charges/mortgages of the Property and general corporate purposes.
5. **Interest Rate:** A fixed rate of interest at the rate of six percent (6%) per annum, calculated and compounded monthly from the date of the advance of the Loan.
6. **Payments:** The Borrower will make blended payments of principal and interest payable not in advance on the 1st day of each month during the term of the Loan. Interest will accrue from the date of the advance of the Loan.
7. **Term:** The lesser of: (a) twenty-four (24) months from the Interest Adjustment Date; and (b) twelve (12) months from the date on which the Borrower receives site plan approval for its intended development of the Property from the City of Waterloo (the "Maturity Date").

8. **Amortization Period:** 100 years, i.e. amortization at rate of 1.0% p.a., as detailed in Annexure 1.
9. **Interest Adjustment Date:** The interest adjustment date (the "**Interest Adjustment Date**") shall be the first day of the calendar month immediately following the date of the advance of the Loan, unless the advance of the Loan is made on the first day of a month in which case the Interest Adjustment Date shall be the date of the advance.
10. **Repayment:** Equal instalments of principal and interest based on the Amortization Period shall be payable on the first day of each month during the Term, the first instalment being payable on the first day of the month after the Interest Adjustment Date and the last, on the Maturity Date of the Loan. Until the Interest Adjustment Date, simple interest on the portion of the Loan advanced, calculated daily, is payable and such interest shall be deducted from the amount of the advance of the Loan.
11. **Prepayment Right:** The Borrower has no right to prepay the Loan or any part thereof.
12. **Security:** The Loan will be secured by the following (collectively, the "**Security**"):
- (a) a first charge/mortgage of the lands and premises municipally known as 392 and 398 Erb Street West, Waterloo, Ontario (collectively, the "**Property**");
 - (b) a first in priority general assignment of rents and leases in respect of the Property;
 - (c) a first in priority general security agreement over all the Borrower's present and after-acquired personal property;
 - (d) a full and unconditional guarantee and assignment and postponement of claims from the Guarantor;
 - (e) an assignment, postponement and subordination of all shareholder loans from the Guarantor and such other parties, as required, including the covenant of the Guarantor and such other parties not to make any interest or principal payment on any postponed loan after an event of default under the Security or if such payments will cause a default in any of the conditions or covenants in this commitment letter or in the Security;

- (f) an Environmental Undertaking and Indemnity from the Borrower and the Guarantor;
- (g) an assignment of all proceeds of insurance under the Borrower's insurance policies;
- (h) an assignment of all material contracts and documents relating to the Property including all plans, permits, specifications and rights to architectural plans;
- (i) a letter of undertaking from the Borrower agreeing to provide the Lender with assignment of any or all of its receivables in an event of default under the Security;
- (j) a Lender's policy of title insurance issued to the Lender; and
- (k) such further security as the Lender may reasonably require. The Security shall be prepared by the Lender's counsel in form and content determined by the Lender.

In addition to the foregoing, the Borrower shall open an operating account for day-to-day business of the Borrower to be lien marked to the Lender (the "Operating Account").

13. Fees:

In consideration of Lender providing the Loan pursuant to the terms of this commitment letter, the Borrower will pay the following fees to the Lender:

- (a) an upfront fee in the amount of 0.75% of the original principal amount of the Loan, being \$21,000.00 (the "Upfront Fee"). The Lender acknowledges receipt of CAD\$11,000.00 in partial payment of the Upfront Fee, which is deemed to have been fully earned by the Lender. The Borrower shall pay the balance of the Upfront Fee prior to the advance of the Loan or, alternatively, the Lender may deduct the balance of the Upfront Fee from the advance of the Loan;
- (b) ~~An annual administration fee of CAD\$5,000.00 for review and monitoring of the account on an ongoing basis, which the Lender is authorized to draw from the Operating Account,~~
- (c) An annual monitoring fee in the amount of 2.0% per annum of the original principal amount of the

Loan, being \$56,000.00 payable in monthly instalments of \$4,666.67 on the first day of each month during the Term of Loan, which the Lender is authorized to draw from the Operating Account;

- (d) Amendments to Loan, as requested by the Borrower, will be subject to a minimum fee of CAD\$1,000 per request, subject to the complexity and circumstances of each request, as mutually agreed upon between the Borrower and the Lender; and
- (e) Each breach by the Borrower of a covenant under the Security, late reporting or the occurrence of an event of default will be subject to a minimum fee of CAD\$500.00 per occurrence, where such condition has not received the prior written approval of the Lender.

14. **Financial Covenant:**

The cumulative amount of total debt (on all properties owned by the Guarantor, as declared in their Personal net worth statements) shall not exceed 50% of the cumulative net equity value (of all properties owned by the Guarantor, as declared in their Personal net worth statements), which net equity value shall be calculated as the lesser of: (a) the purchase price paid by the Borrower to acquire the Property (if the Borrower acquired the Property within last 18 months); and (b) a current appraisal value of the Property prepared by an appraiser, commissioned by, satisfactory and addressed to the Lender.

15. **Positive Covenants:**

The Borrower shall use and apply the proceeds of the sale of the Guarantor's other projects, including the projects owned by Pamata Hospitality Inc. and 2460467 Ontario Inc. towards the repayment of the Loan and/or development/construction costs in connection with the Borrower's proposed development of the Property.

16. **Negative Covenants:**

The Borrower shall not:

- (a) sell or transfer the Property or any part thereof or any interest therein without the Lender's prior written consent, which consent may be withheld by the Lender in its sole, subjective and absolute discretion;
- (b) incur any debt that will rank in priority, *pari passu* or subordinate to the Loan (save and except for related party debt, which has been postponed

to the Loan) without the prior written consent of the Lender, which consent may be withheld by the Lender in its sole, subjective and absolute discretion;

- (c) obtain secondary financing on the Property or charge, mortgage, encumber or permit or create any lien against or in respect the Property without the Lender's prior written consent, which consent may be withheld by the Lender in its sole, subjective and absolute discretion;
- (d) make any substantial changes, additions, or alterations to the Property without the Lender's prior written consent, which will not be unreasonably withheld; and
- (e) demolish the existing buildings on the Property without the Lender's prior written consent, which consent may be withheld by the Lender in its sole, subjective and absolute discretion.

17. Reporting Requirements:

The Borrower shall provide the following to the Lender, all in form and content acceptable to the Lender:

- (a) within 120 days of the end of each of the Borrower's fiscal years, financial statements of the Borrower prepared by a Chartered Accountant Professional Accountant on an audited or review engagement, as requested by the Lender, including a Balance Sheet and supporting schedules, a detailed Statement of Income and Expenditures and supporting schedules, and a Statement of Change in Cash Flow;
- (b) within 120 days of the end of each of the Borrower's fiscal years, a personal net worth statement of the Guarantor as at the Borrower's fiscal year end;
- (c) within 120 days of the end of each of the Borrower's fiscal years, confirmation that all Realty Taxes are paid to date, through a copy of a paid tax receipt or interim billing showing no arrears;
- (d) within 120 days of the end of each of the Borrower's fiscal years, a certificate of insurance confirming that the Borrower has arranged and is maintaining the insurance coverage required by

the Lender;

- (e) Within 30 days after the end of each calendar quarter, a leasing report and current rent roll for the Property containing such detail, and such supporting copies of leasing documentation, as may be required by the Lender, certified by a senior officer of the Borrower;
- (f) Within 30 days after the end of each calendar quarter, a report on the status of obtaining site plan approval from the City of Waterloo in respect of Borrower's proposed development of the Property and confirmation of the date on which site plan approval has been obtained from the City of Waterloo within ten (10) days of receipt of obtaining same; and
- (g) Within 30 days after the end of each calendar quarter, a declaration from the Guarantor that the proceeds received from the Guarantor's other projects (including the properties owned by Pamata Hospitality Inc. and 2460467 Ontario Inc.) have been utilized towards development/construction costs in respect of the Borrower's proposed development of the Property.

The Borrower and the Guarantor hereby authorize the Lender to obtain such financial information from third parties respecting it or him as the Lender may reasonably require and covenants to deliver any further financial information requested by the Lender, acting reasonably.

18. Realty Taxes:

All realty taxes assessed against the Property and local improvement charges (collectively "**Realty Taxes**") are to be paid by the Borrower directly to the municipality when due and the Borrower will provide the Lender with receipted copies of the tax bills for the Property or other evidence of payment of Realty Taxes satisfactory to the Lender within thirty (30) days after the same has become payable. If at any time the Borrower does not pay any Realty Taxes when due or fails to provide the Lender with copies of receipted tax bills or other satisfactory evidence of payment, the Lender may pay the Realty Taxes and the Borrower will repay the Lender, on demand, any amount so paid. Any amount paid by the Lender and remaining unpaid by the Borrower will bear interest at the interest rate set out in this commitment letter, will be added to the outstanding principal amount of the Loan and will be secured by the Security.

19. Costs and Expenses:

Whether or not the transaction contemplated hereby is completed, the Borrower will pay all of the costs and expenses incurred by the Lender in connection with this commitment letter, the Loan and the Security including, without limitation, the legal fees and disbursements of the Lender's solicitors, and the fees and disbursements of the Lender's agents and consultants. Such costs and expenses may be deducted by the Lender from the initial advance of the Loan. In addition, the Borrower agree to pay all costs, charges and expenses incurred by the Lender in connection with the operation or enforcement of this commitment letter, the Loan or the Security, or any amendment, extension, variation, discharge or renewal thereof, including, without limitation, costs of the registration of financing statements or financing change statements and searches in connection therewith, periodic property inspections and Realty Taxes verifications and other similar costs, and any fees or charges of agents or other third parties retained by the Lender for the purpose of conducting such activities on its behalf. In addition, the Borrower agree to pay the Lender's administration fees in connection with its administration of the Loan, including the provision of mortgage statements, provision of discharges, processing late payments and cheques or automatic debits which are dishonoured or not accepted by the financial institution, the amount of each such administration fee being a liquidated amount to cover the administrative costs of the Lender and not a penalty. If the Borrower fail to pay any such costs, charges or expenses upon demand, the amount of the cost, charge or expense will bear interest at the interest rate set out in this commitment letter, will be added to the outstanding principal amount of the Loan and will be secured by the Security.

Conditions Precedent to Advance:

The Lender's obligation to make the advance of the Loan is conditional upon the receipt or completion, as applicable, of the following all in form and substance satisfactory to the Lender or its solicitors, acting reasonably:

- (a) the Lender shall be satisfied with all of its due diligence investigations in respect of the Property, the Borrower and the Guarantor including its review of a valuation report (not older than 12 months) in respect of the Property, along with letter of transmittal from the appraiser confirming the appraisal reports may be relied upon by the Lender, copies of leases in place, a Phase I Environmental Site Assessment (ESA) report for the Property, copies of

approvals/permits for the Property, a satisfactory site visit to be conducted by the Lender's representative, a personal net worth statements of the Guarantor and validation documents to confirm same, evidence of current outstanding debt and annual repayment obligations, to the extent requested by the Lender, Notices of Assessment and T4 for last 2 years and the Latest Quantity Surveyor report for the Guarantor's other ongoing projects;

- (b) receipt by the Lender of a duly executed copy of this commitment letter;
- (c) receipt by the Lender of duly executed copies of the Security and evidence of registration of same, in the manner and with the priorities required by the Lender, in all appropriate governmental offices;
- (d) the Borrower shall have opened an operating account for day-to-day business of the Borrower to be lien marked to the Lender;
- (e) the Borrower shall have deposited the amount of CAD\$500,000 with the Lender in a Debt Service Reserve Account in a manner satisfactory to the Lender;
- (f) receipt by the Lender of a certificate of insurance confirming that the Borrower has arranged insurance coverage in respect of the Property in accordance with the Lender's requirements with the Lender shown thereon as first loss payee or first mortgagee or named as an additional insured, as applicable;
- (g) receipt by the Lender of an original up-to-date and accurate plan of survey of the Property prepared for the Lender, at the Borrower's expense, by a qualified land surveyor, to be delivered to the Lender's solicitors. Such survey must show the boundaries of the Property, the location of all rights-of-way and easements, the location of all entrances and exits to and from the Property and the location of all buildings and other improvements situate on the Property at the date of the Borrower's acceptance of this commitment letter and the distances of all such buildings and improvements from all lot lines, and the information disclosed by such survey

must be acceptable to the Lender in its sole, subjective and absolute discretion. If the Borrower do not have an original up-to-date survey of the Property as described above, the Lender, at its option, may obtain title insurance from a title insurer acceptable to the Lender in its sole, subjective and absolute discretion, at the cost and expense of the Borrower;

- (h) receipt by the Lender of evidence that all Realty Taxes due and owing in respect of the Property are paid in full to the date of the applicable advance of the Loan;
- (i) receipt by the Lender of evidence of compliance with all applicable laws, by-laws and governmental and municipal regulations, orders or requirements including, without limitation, those dealing with planning, zoning, use, occupancy, environmental matters or fire and that there are no outstanding work orders, deficiency notices or like violations outstanding against the Property. If the buildings or improvements situate on the Property were constructed or substantially renovated within twelve (12) months prior to the date of this commitment letter, the Lender requires evidence the buildings and improvements on the Property may be lawfully occupied, which evidence will include an occupancy certificate/permit, if applicable;
- (j) receipt by the Lender of all documentation that it requires in order to comply with the *Proceeds of Crime and Terrorist Financing Act* (Canada);
- (k) confirmation from the Lender's solicitors that they are satisfied with their review of title to the Property;
- (l) receipt by the Lender of a lender's policy of title insurance; an
- (m) receipt by the Lender of any other certificates, information, reports and documentation that the Lender may reasonably request or require.

20. Right of Termination:

The Lender will have the right to terminate its agreement to provide the Loan to the Borrower and be relieved of all of its obligations in connection therewith including, without limitation, the obligation to advance the Loan if any of the following events occur prior to the time of the

advance of the Loan hereunder:

- (a) the Borrower fails or is unable or unwilling for any reason whatsoever to comply with any of the terms and conditions set out in this commitment letter or the Security within the time indicated for such compliance;
- (b) the Borrower fails or refuses to execute and deliver any documentation required by this commitment letter or requested by the Lender or its solicitors in connection herewith;
- (c) the Borrower refuses to accept any funds when advanced;
- (d) the Lender is advised of or is made aware that the Borrower is in default in the observance or performance of any of its obligations under any other charge/mortgage registered against title to the Property;
- (e) either of the Borrower or the Guarantor has become insolvent or bankrupt or subject to any other bankruptcy, receivership, insolvency, winding-up or other similar proceedings, whether voluntary or involuntary;
- (f) there has been in the Lender's sole, subjective and absolute opinion a material adverse change in either of the Borrower's or the Guarantor's financial condition or the condition of the Property or any event has occurred that could reasonably be expected to result in any of the foregoing;
- (g) the Lender is advised of or is made aware that any material containing asbestos or other substances considered harmful by the Lender has been used, or will be used in the Property, or there is in, on or about the Property any product or substance (including PCB's), contaminants or hazardous materials, equipment, or any other thing which, in the Lender's sole, subjective and absolute opinion, constitutes or may constitute an environmental hazard or contravenes any environmental law, regulation, order or directive;
- (h) the Borrower has not complied with all the provisions of the *Construction Act* (Ontario) to

the satisfaction of the Lender or its solicitors or the Borrower have not paid any sum or complied with any obligation that may confer any right on a third party in respect of the Property;

- (i) any representation or warranty made by the Borrower in this commitment letter or the Security is not true and accurate as of the date of the advance of the Loan;
- (j) the Lender or its solicitors are not satisfied with title to the Property; or
- (k) if any person, including a federal, provincial or municipal authority, other than the Borrower, requires or claims from the Lender the full or partial amount of any sums advanced or to be advanced hereunder.

If, in accordance with the foregoing, the Lender elects to terminate its agreement to provide the Loan to the Borrower prior to the advance of the entire Loan amount, the amount of the Loan then advanced, if any, together with interest thereon at the rate set out herein will become immediately due and payable and the Lender shall, whether or not any amount of the Loan has been advanced, and without prejudice to its right to recover from the Borrower all costs and expenses incurred by the Lender, be entitled to retain the holding any deposit paid by the Borrower as compensation for all damages sustained by the Lender, it being agreed that the amount of such deposit is a fair estimate of the damages which will be suffered by the Lender in such event.

21. Assignment:

The Borrower cannot assign any of its rights or obligations under this commitment letter, the Loan or the Security to a third party. The Borrower and the Guarantor agree that the Lender may transfer and assign, without the Borrower's or the Guarantors' consent and without notice to the Borrower and the Guarantor, its rights and obligations under this commitment letter, the Loan, the Security and any related documentation (the "**Mortgage Loan and Security**") to any affiliate or other third party. The Lender may also syndicate, securitize or grant participation interests in the Mortgage Loan and Security without the Borrower's or the Guarantor's consent and without notice to the Borrower or the Guarantor. The Borrower and the Guarantor agree that the Lender may disclose confidential information relating to the Mortgage Loan and Security, including any financial information provided by the Borrower or the Guarantor at any time or

otherwise relating to the Borrower or the Guarantor, or to the Property and any plans, drawings or other documentation or information regarding the Property, to any third party in connection with any of the transactions contemplated in this section.

22. **Time of the Essence:** Time is of the essence hereof.
23. **No Amendments:** No amendment or waiver of any provision of this commitment letter will be effective unless it is in writing and signed by the Lender and the Borrower. No failure or delay, on the part of the Lender, in exercising any right or power hereunder will operate as a waiver thereof.
24. **Governing Law:** This commitment letter will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
25. **Survival:** The terms and conditions of this commitment letter will, after acceptance by the Borrower and the Guarantor, survive the execution and registration of the Security and there will be no merger of these provisions or conditions in the Mortgage or other Security; provided that in the event of any conflict between the provisions of this commitment letter and the provisions of the Security, the Lender may elect which provisions will prevail.
26. **Joint and Several:** Where more than one person is liable as borrower or as a guarantor or otherwise for any obligation under or pursuant to this commitment letter, then the liability of each such person for such obligation is joint and several with each other such person.
27. **E-Mail and Facsimile Transmission:** The Lender is entitled to rely on any agreement, document, instrument, report or certificate provided to the Lender by the Borrower and the Guarantor by way of e-mail or facsimile transmission as though it were an originally signed agreement, document, instrument, report or certificate. The Lender is further entitled to assume that any communication from the Borrower or any guarantor received by e-mail or facsimile transmission is a reliable communication from the Borrower or guarantor.
28. **Acceptance:** The terms of this commitment letter are open for acceptance by the Borrower and the Guarantor by executing this commitment letter where indicated below and returning the original of this letter to the Lender on or before 5:00 p.m. on July 7, 2023, after which date and time this commitment letter will lapse and be of no further force or effect, unless it is extended by the Lender in its sole, subjective and absolute discretion.

Yours very truly,

ICICI BANK CANADA

Per: _____
Name:
Title:


Per: _____
Name:
Title:

ACCEPTED on June 29, 2023.

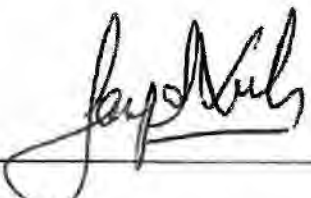
The undersigned Borrower and Guarantor have read, understand and accept the terms and conditions of this commitment letter and acknowledge receiving a copy of it.


SIGNED, SEALED & DELIVERED
in the presence of:

23348484 ONTARIO LIMITED

Per: 
Name: Kamal Patel
Title: President

I have authority to bind the corporation


Witness
Print Name: JASPAL VIRK


Kamal Patel

Annexure 1

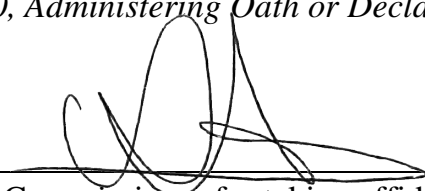
Date	Payment	Interest	Principal Reduction	Principal outstanding
				\$2,800,000.00
01-Jul-23	\$13,865.68	\$13,828.14	\$37.54	\$2,799,962.46
01-Aug-23	\$13,865.68	\$13,827.96	\$37.72	\$2,799,924.74
01-Sep-23	\$13,865.68	\$13,827.77	\$37.91	\$2,799,886.82
01-Oct-23	\$13,865.68	\$13,827.58	\$38.10	\$2,799,848.72
01-Nov-23	\$13,865.68	\$13,827.39	\$38.29	\$2,799,810.43
01-Dec-23	\$13,865.68	\$13,827.21	\$38.47	\$2,799,771.96
01-Jan-24	\$13,865.68	\$13,827.02	\$38.66	\$2,799,733.30
01-Feb-24	\$13,865.68	\$13,826.82	\$38.86	\$2,799,694.44
01-Mar-24	\$13,865.68	\$13,826.63	\$39.05	\$2,799,655.38
01-Apr-24	\$13,865.68	\$13,826.44	\$39.24	\$2,799,616.14
01-May-24	\$13,865.68	\$13,826.25	\$39.43	\$2,799,576.71
01-Jun-24	\$13,865.68	\$13,826.05	\$39.63	\$2,799,537.08
01-Jul-24	\$13,865.68	\$13,825.86	\$39.82	\$2,799,497.26
01-Aug-24	\$13,865.68	\$13,825.66	\$40.02	\$2,799,457.23
01-Sep-24	\$13,865.68	\$13,825.46	\$40.22	\$2,799,417.01
01-Oct-24	\$13,865.68	\$13,825.26	\$40.42	\$2,799,376.59
01-Nov-24	\$13,865.68	\$13,825.06	\$40.62	\$2,799,335.97
01-Dec-24	\$13,865.68	\$13,824.86	\$40.82	\$2,799,295.15
01-Jan-25	\$13,865.68	\$13,824.66	\$41.02	\$2,799,254.12
01-Feb-25	\$13,865.68	\$13,824.46	\$41.22	\$2,799,212.90
01-Mar-25	\$13,865.68	\$13,824.25	\$41.43	\$2,799,171.47
01-Apr-25	\$13,865.68	\$13,824.05	\$41.63	\$2,799,129.84
01-May-25	\$13,865.68	\$13,823.84	\$41.84	\$2,799,088.00
01-Jun-25	\$13,865.68	\$13,823.64	\$42.04	\$2,799,045.96
30-Jun-25	\$2,799,045.96		\$2,799,045.96	

ICICI Bank Canada

Don Valley Business Park
150 Ferrand Drive, Suite 1200
Toronto, ON M3C 3E5
Canada

Tel: (416) 360-0909
Fax: (416) 214-5174
Website: icicibank.ca

This is Exhibit “G” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

CAL458147090473
VIA POST & ELECTRONIC MAIL

August 30, 2024

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Sir,

RE: Amendment to Commitment Letter dated July 04, 2023 between 2338486 Ontario Limited as Borrower, Kamal Patel as Guarantor, and ICICI Bank Canada as Lender (the "Commitment Letter")

This letter set out the Borrower's and Lender's (each, a "Party") mutual understanding of certain corrections that the Parties wish to make to the Commitment Letter. The Parties agree that modifications are required to the terms setting out the amortization rate applicable to the Loan, to the applicable financial covenant, to the signature page, and to Annexure 1 which sets out the amortization schedule.

The Parties agree to the following changes to be made to the Commitment Letter:

- a) Section 8 shall be retitled as "Amortization Rate" and the text of that section shall be fully replaced with: "Principal repayment at an amortization rate of 1.0% p.a., as detailed in Annexure 1";
- b) Annexure 1 of the Commitment Letter shall be replaced with Annexure 1 attached to this letter agreement;
- c) In Section 10 (Repayment), the term "Amortization Period" shall be replaced with "Amortization Rate";
- d) In Section 14 (Financial Covenant), the term "50%" shall be replaced with "200%"; and
- e) In the signature block, the Borrower's name shall be changed from "23348484 Ontario Limited" to "2338486 Ontario Limited".

All other terms of the Commitment Letter shall remain unchanged. The abovementioned changes shall come into effect once this letter is fully executed by all Parties, including the Guarantor and delivered to the Lender.

The Borrower and Guarantor agree that their obligations under the Security Documents granted to the Lender in connection with the Commitment Letter remain in full effect. If there

are any legal or registration fees or costs associated with these changes or with their implementation, they shall be borne by the Borrower.

This letter shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. It may be executed in any number or counterparts, each of which shall be deemed to be an original when so executed and all of which, when taken together, shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page by any electronic means shall be as effective as delivery of a manually executed counterpart of such signature page.

Please acknowledge and indicate your agreement to the abovementioned changes by countersigning a copy of this letter agreement.

ICICI Bank Canada

Jigar Jain

Name: Jigar Jain
Title: Chief Risk Officer

[Signature]

Name:
Title: Lester Fernandes
Head, Corporate
and Commercial

Witness:

[Signature]

Name: Jay Patel

2338486 Ontario Limited

K Patel

Name: Kamal Patel
Title: President

Guarantor:

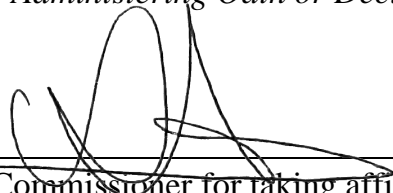
K Patel

Name: Kamal Patel

Annexure 1

Date	Payment	Interest	Principal Reduction	Principal outstanding
04-Jul-23				\$2,800,000.00
01-Aug-23	\$12,887.56	\$12,887.56		\$2,800,000.00
01-Sep-23	\$13,865.68	\$13,828.14	\$37.54	\$2,799,962.46
01-Oct-23	\$13,865.68	\$13,827.96	\$37.72	\$2,799,924.74
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01-May-24	\$13,865.68	\$13,826.63	\$39.05	\$2,799,655.38
01-Jun-24	\$13,865.68	\$13,826.44	\$39.24	\$2,799,616.14
01-Jul-24	\$13,865.68	\$13,826.25	\$39.43	\$2,799,576.71
01-Aug-24	\$13,865.68	\$13,826.05	\$39.63	\$2,799,537.08
01-Sep-24	\$16,159.19	\$13,825.86	\$2,333.33	\$2,797,203.74
01-Oct-24	\$16,147.66	\$13,814.33	\$2,333.33	\$2,794,870.41
01-Nov-24	\$16,136.14	\$13,802.81	\$2,333.33	\$2,792,537.08
01-Dec-24	\$16,124.62	\$13,791.29	\$2,333.33	\$2,790,203.74
01-Jan-25	\$16,113.09	\$13,779.76	\$2,333.33	\$2,787,870.41
01-Feb-25	\$16,101.57	\$13,768.24	\$2,333.33	\$2,785,537.08
01-Mar-25	\$16,090.04	\$13,756.71	\$2,333.33	\$2,783,203.74
01-Apr-25	\$16,078.52	\$13,745.19	\$2,333.33	\$2,780,870.41
01-May-25	\$16,067.00	\$13,733.67	\$2,333.33	\$2,778,537.08
01-Jun-25	\$16,055.47	\$13,722.14	\$2,333.33	\$2,776,203.74
01-Jul-25	\$16,043.95	\$13,710.62	\$2,333.33	\$2,773,870.41
04-Jul-25	\$2,775,694.33	\$1,823.92	\$2,773,870.41	

This is Exhibit “H” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

Properties				
PIN	22393 - 0128	LT	Interest/Estate	Fee Simple
Description	PT LT 18 PL 696 CITY OF WATERLOO AS IN 305968; WATERLOO			
Address	392 ERB STREET WEST WATERLOO			
PIN	22393 - 0129	LT	Interest/Estate	Fee Simple
Description	PT LT 18 PL 696 CITY OF WATERLOO AS IN 435372, EXCEPT PT 1, 58R6092; WATERLOO			
Address	398 ERB STREET WEST WATERLOO			

Chargor(s)	
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.	
Name	2338486 ONTARIO LIMITED
Address for Service	29 Idle Ridge Court Kitchener, Ontario N2A 3W3
A person or persons with authority to bind the corporation has/have consented to the registration of this document.	
This document is not authorized under Power of Attorney by this party.	

Chargee(s)	Capacity	Share
Name	ICICI BANK CANADA	
Address for Service	150 Ferrand Drive Suite 1200 Toronto, Ontario M3C 3E5	

Statements
Schedule: See Schedules

Provisions			
Principal	\$2,800,000.00	Currency	CDN
Calculation Period	Semi-Annually, Not in Advance		
Balance Due Date	See Schedule		
Interest Rate	6.00% per annum		
Payments	\$13,865.68		
Interest Adjustment Date	2023 08 01		
Payment Date	First day of each noth		
First Payment Date	2023 09 01		
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	Kamal Patel		

Signed By				
Ian William Thomas Clough		2 Queen Street East Suite 1500 Toronto M5C 3G5	acting for Chargor(s)	Signed 2023 07 04
Tel	416-593-1221			
Fax	416-593-5437			
I have the authority to sign and register the document on behalf of the Chargor(s).				

Submitted By		
BLANEY MCMURTRY LLP	2 Queen Street East Suite 1500 Toronto M5C 3G5	2023 07 04

Submitted By

Tel 416-593-1221

Fax 416-593-5437

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$69.00
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<i>Total Paid</i>	\$69.00
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File Number

Chargee Client File Number : 099434-0100

**This is a Schedule attached to a Charge/Mortgage granted by
2338486 Ontario Limited
to and in favour of
ICICI Bank Canada
relating to those lands and premises legally described on Page 1 of the Charge/Mortgage
to which this Schedule is attached and municipally known as
392 and 398 Erb Street West, Kitchener, Ontario (the "Property")**

Additional Provisions

1. STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in Standard Charge Terms No. 200033. In the event of any inconsistency, conflict or discrepancy between the terms contained in this schedule and those contained in Standard Charge Terms No. 200033, the terms contained in this schedule shall prevail and govern to the extent of the inconsistency, conflict or discrepancy.

2. DEFINITIONS

In this schedule, the following terms have the following meanings:

- (a) **“Applicable Laws”** means, in respect of any Person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licenses, authorization, approvals and all applicable common laws or equitable principles whether now or hereafter in force and effect;
- (b) **“Balance Due Date”** means the earlier of: (a) twenty-four (24) months from the Interest Adjustment Date; and (b) twelve (12) months from the date on which the Chargor receives site plan approval for its intended development of the Property from the City of Waterloo;
- (c) **“Business Day”** means a day except a Saturday or a Sunday, a statutory holiday in the Province of Ontario or a day on which banks are closed in Toronto, Ontario;
- (d) **“Charge”** means this Charge/Mortgage and any amendments thereto and includes the Standard Charge Terms;
- (e) **“Chargee”** means the Person or Persons named as Chargee in the Chargee(s) section on the first page of this Charge and their respective successors and assigns;
- (f) **“Chargor”** means the Person or Persons named as Chargor in the Chargor(s) section on the first page of this Charge and their respective successors and assigns;
- (g) **“Commitment Letter”** means the Commitment Letter dated July 4, 2023 between the Chargor, the Chargee and Kamal Patel;
- (h) **“Costs”** means all fees, costs, charges and expenses incurred by or on behalf of the Chargee for or incidental to (a) preparing, executing and registering the Loan Documents, (b) collecting payments due to the Chargee under the Loan Documents, (c) enforcing and realizing on this Charge and the other Loan Documents, including power of sale, foreclosure, execution, judicial sale, court appointed or private receivership, possession and/or management of the Property and other enforcement proceedings, (d) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, managing, selling or leasing the Property, including all protective disbursements and curing any defaults under or renewing any leasehold interests, (e) exercising any rights of a receiver appointed under this Charge or otherwise and such receiver’s fees and expenses (including all legal fees and disbursements and agents’ costs and expenses), (f) obtaining any environmental audits

or other inspections, tests or reports with respect to the Property, (g) complying with any notices, orders, judgments, directives, permits, licenses, authorizations or approvals with respect to the Property, (h) performing the obligations of the Chargor under the Loan Documents, (i) all legal fees and disbursements in connection with the amounts secured by this Charge on a full indemnity basis, and (j) any other fees, costs, charges or expenses payable to the Chargee under the Commitment Letter or any of the Loan Documents or otherwise at law or in equity. "Costs" will also include interest at the Interest Rate on all such fees, costs, charges and expenses;

- (i) **"Event of Default"** means a default under the Commitment Letter, this Charge or the other Loan Documents;
- (j) **"Guarantor"** means Kamal Patel;
- (k) **"Indebtedness"** means the: (a) the Principal Amount and Interest at the Interest Rate; (b) Costs; (c) any amount, cost, charge, expense or interest which has been added to the Indebtedness under the Loan Documents or which is otherwise due and payable thereunder or secured thereby, and (d) the payment, performance, discharge and satisfaction of all other obligations of the Chargor to the Chargee under or in respect the Indebtedness and/or Loan Documents;
- (l) **"Interest"** means interest at the Interest Rate calculated semi-annually, not in advance and payable on the Principal Amount and such other amounts as provided for in this Charge both before and after maturity, default and judgment;
- (m) **"Interest Adjustment Date"** means the Interest Adjustment Date set out under the heading "Provisions" on the first page of this Charge;
- (n) **"Interest Rate"** means rate of Interest set out under the heading "Provisions" on the first page of this Charge;
- (o) **"Loan"** means the loan in the Principal Amount made by the Chargee to the Chargor pursuant to the Commitment Letter;
- (p) **"Loan Documents"** means, collectively, the Commitment Letter, all promissory notes, documents, instruments and agreements now or hereafter evidencing, securing, guaranteeing and/or relating to the Indebtedness or any part thereof, including this Charge, and the Security referred to in the Commitment Letter. Reference in this Charge to any Loan Document or other instrument or agreement shall include all amendments, addenda, modifications, extensions, renewals, restatements, supplements or replacements thereto or thereof from time to time;
- (q) **"Monthly Payments"** means the monthly payments of principal and interest to be made on the first (1st) day of each and every month during the term of the Loan in the amount set out under the heading "Provisions" on the first page of this Charge;
- (r) **"Operating Account"** means the operating account for day-to-day business of the Chargor opened by the Chargor with the Chargee;
- (s) **"Person"** means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity;
- (t) **"Principal Amount"** means Two Million Eight Hundred Thousand Canadian Dollars (\$2,800,000.00);
- (u) **"Property"** means land and premises specified in the Properties section on the first page of this Charge; and
- (v) **"Standard Charge Terms"** means the set of Standard Charge Terms filed as No. 200033.

3. **CHARGE**

In consideration of the Chargee making the Loan to the Chargor in the Principal Amount, the receipt of which is hereby acknowledged by the Chargor, the Chargor hereby mortgages, charges, assigns and transfers, as and by way of a fixed and specific mortgage, charge, assignment and transfer to and in favour of the Chargee, all legal and beneficial right, title, estate, interest and benefit, from time to time, in and to the Property to secure the repayment of the Indebtedness and the performance of all of the obligations of the Chargor contained herein. The Chargor hereby releases to the Chargee, all of its claims on the Property until the Chargor has repaid the Indebtedness and performed all of the obligations of the Chargor in the manner provided by this Charge and the Commitment Letter.

4. **MONTHLY PAYMENTS**

Interest on the Principal Amount from time to time advanced prior to the Interest Adjustment Date, computed from the respective dates of such advances to the Interest Adjustment Date, shall, at the option of the Chargee, be deducted from the advances or paid by the Chargor at such time or times as the Chargee may require and such Interest may be so deducted or paid in advance; after the Interest Adjustment Date, the Principal Amount with Interest computed from the Interest Adjustment Date, shall become due and be paid in Monthly Payments herein and the balance, if any, of the Principal Amount and Interest shall become due and payable on the Balance Due Date. The Monthly Payments, when received, shall be applied firstly to outstanding Costs, secondly to outstanding Interest and the balance, if any, in reduction of the outstanding Principal Amount. If any payment received is less than the Interest due to the effective date of receipt of such payment, the Chargee reserves the right, in addition to any other available rights, to add the deficiency to the Principal Amount.

5. **PREPAYMENT**

The Chargor has no right to prepay the Loan or any part thereof.

6. **COMPOUND INTEREST**

If the Chargor defaults in any Monthly Payment or other payment due pursuant to this Charge, compound interest at the Interest Rate will accrue and be payable on the sum in arrears (including all arrears of interest) from time to time at the Interest Rate plus four percent (4%) per annum, both before and after default, demand, acceleration, maturity and judgment until paid and shall be paid forthwith. If the arrears and the compound interest are not paid within the interest calculation period provided for in this Charge from the time of default, a rest will be made and compound interest at the Interest Rate will be payable on the aggregate amount then due, both before and after maturity, default and judgment, and so on from time to time until paid. All such compound interest shall be added to the Indebtedness and shall be secured by this Charge.

7. **TAXES**

All realty taxes assessed against the Property and local improvement charges (collectively “**Realty Taxes**”) are to be paid by the Chargor directly to the municipality when due and the Chargor will provide the Chargee with receipted copies of the tax bills for the Property or other evidence of payment of Realty Taxes satisfactory to the Chargee within thirty (30) days after the same has become payable. If at any time the Chargor does not pay any Realty Taxes when due or fails to provide the Chargee with copies of receipted tax bills or other satisfactory evidence of payment, the Chargee may pay the Realty Taxes and the Chargor will repay the Chargee, on demand, any amount so paid. Any amount paid by the Chargee and remaining unpaid by the Chargor will bear interest at the Interest Rate, will be added to the outstanding Principal Amount of the Loan and will be secured by this Charge.

8. **COSTS**

Neither the preparation, execution nor registration of this Charge or the other Loan Documents shall bind the Chargee to advance any amount secured by this Charge. The Chargor covenants to pay all Costs to the Chargee forthwith on demand. Until paid, all Costs together with interest thereon at the Interest Rate shall be added to the Indebtedness and secured by this Charge.

9. FEES

In consideration of the Chargee providing the Loan to the Chargor, the Chargor will pay the following fees to the Chargee:

- (a) an upfront fee in the amount of 0.75% of the original Principal Amount, being \$21,000.00 (the “**Upfront Fee**”). The Chargee acknowledges receipt of CAD\$11,000.00 in partial payment of the Upfront Fee, which is deemed to have been fully earned by the Chargee. The Chargor shall pay the balance of the Upfront Fee prior to the advance of the Loan or, alternatively, the Chargee may deduct the balance of the Upfront Fee from the advance of the Loan;
- (b) An annual monitoring fee in the amount of 2.0% per annum of the original Principal Amount of the Loan, being \$56,000.00 payable in monthly instalments of \$4,666.67 on the first day of each month during the term of Loan, which the Chargee is authorized to draw from the Operating Account;
- (c) Amendments to Loan, as requested by the Chargor, will be subject to a minimum fee of CAD\$1,000 per request, subject to the complexity and circumstances of each request, as mutually agreed upon between the Chargor and the Chargee; and
- (d) Each breach by the Chargor of a covenant under the Loan Documents, late reporting or the occurrence of an event of default under this Charge will be subject to a minimum fee of CAD\$500.00 per occurrence, where such condition has not received the prior written approval of the Chargee.

10. FINANCIAL COVENANT

The Chargor agrees and covenants that the cumulative amount of total debt (on all properties owned by the Guarantor, as declared in his Personal Net Worth Statements) shall not exceed 50% of the cumulative net equity value of all properties owned by the Guarantor, as declared in his Personal Net Worth statements, which net equity value shall be calculated as the lesser of: (a) the purchase price paid by the Chargor to acquire the Property (if the Chargor acquired the Property within last 18 months); and (b) a current appraisal value of the Property prepared by an appraiser, commissioned by, satisfactory and addressed to the Chargee.

11. POSITIVE COVENANT

The Chargor agrees and covenants to use and apply the proceeds of the sale of the Guarantor's other projects, including the projects owned by Pamata Hospitality Inc. and 2460467 Ontario Inc. that it receives from the Guarantor towards the repayment of the Loan and/or development/construction costs in connection with the Chargor's proposed development of the Property.

12. PAYMENTS BY CHARGE

The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the Property and all costs, charges, legal fees (as between solicitor and his own client) and expenses as deemed necessary by the Chargee to preserve the Property and/or to realize upon the Chargee's security and all such payments shall be deemed Costs hereunder.

13. PROOF OF OUTSTANDING PAYMENTS

The records maintained by the Chargee of the amounts advanced to the Chargor and secured by this Charge, the amount of advances which are outstanding and the amount of interest and other fees and Costs payable or secured under this Charge shall constitute *prima facie* proof thereof in any legal proceedings or action in respect of the Loan or this Charge.

14. CHANGES AND ALTERATIONS

The Chargor shall not make any substantial changes, additions, or alterations to the Property without the Chargee's prior written consent, which will not be unreasonably withheld; and shall not demolish the existing buildings on the Property without the Chargee's prior written consent, which consent may be withheld by the Chargee in its sole, subjective and absolute discretion. Any major changes, additions, and/or alterations contemplated to the Property, including major changes in use of the Property and/or any proposed use of the Property as a hotel or similar type of accommodation, must receive the Chargee's written consent prior to the commencement of the changes, additions and/or alterations. If the Chargor changes and/or alters the Property or its use without the prior written consent of the Chargee being obtained, then the Chargee may, at its sole option, declare forthwith due and payable the entire Indebtedness outstanding. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this clause together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereof.

15. SUBORDINATE DEBT AND FURTHER ENCUMBRANCES

The Chargor shall not, without the Chargee's prior written approval, which approval may be withheld in its sole, subjective and absolute discretion, incur any debt that will rank in priority, *pari passu* or subordinate to the Loan (save and except for related party debt, which has been postponed to the Loan) or obtain secondary financing and shall not further charge, mortgage or otherwise encumber or permit or create any lien against or in respect the Property or any interest therein. Upon a breach of this provision, the Chargee may, at its option, declare forthwith due and payable the entire outstanding principal amount secured by this Charge and all accrued and unpaid interest thereon and all other amounts payable hereunder and the Chargee may exercise any and all rights and remedies available to it at law and under this Charge.

16. SURVIVAL OF COMMITMENT LETTER

The Chargor acknowledges that this Charge has been delivered pursuant to the terms of the Commitment Letter and that the terms of the Commitment Letter shall survive the delivery and registration of this Charge and that there shall be no merger of those terms in this Charge or in any other security for the Loan secured by this Charge. In the event of conflict, inconsistency or discrepancy between any provision or provisions of the Commitment Letter and any provision or provisions of this Charge or any of the related Loan Documents, the Chargee shall determine which provision shall prevail and govern.

17. REPORTING REQUIREMENTS

The Chargor shall provide the following to the Chargee, all in form and content acceptable to the Chargee:

- (a) within 120 days of the end of each of the Chargor's fiscal years, financial statements of the Chargor prepared by a Chartered Accountant Professional Accountant on an audited or review engagement, as requested by the Chargee, including a Balance Sheet and supporting schedules, a detailed Statement of Income and Expenditures and supporting schedules, and a Statement of Change in Cash Flow;
- (b) within 120 days of the end of each of the Chargor's fiscal years, a personal net worth statement of the Guarantor as at the Chargor's fiscal year end;
- (c) within 120 days of the end of each of the Chargor's fiscal years, confirmation that all Realty Taxes are paid to date, through a copy of a paid tax receipt or interim billing showing no arrears;
- (d) within 120 days of the end of each of the Chargor's fiscal years, a certificate of insurance confirming that the Chargor has arranged and is maintaining the insurance coverage required by the Chargee;

- (e) Within 30 days after the end of each calendar quarter, a leasing report and current rent roll for the Property containing such detail, and such supporting copies of leasing documentation, as may be required by the Chargee, certified by a senior officer of the Chargor;
- (f) Within 30 days after the end of each calendar quarter, a report on the status of obtaining site plan approval from the City of Waterloo in respect of Borrower's proposed development of the Property and confirmation of the date on which site plan approval has been obtained from the City of Waterloo within ten (10) days of receipt of obtaining same; and
- (g) Within 30 days after the end of each calendar quarter, a declaration from the Guarantor of the amount of the proceeds of sale received from the Guarantor's other projects (including the properties owned by Pamata Hospitality Inc. and 2460467 Ontario Inc.) and that such proceeds have been utilized towards development/construction costs in respect of the Chargor's proposed development of the Property.

The Chargor hereby authorizes the Chargee to obtain such financial information from third parties respecting it or him as the Chargee may reasonably require and covenants to deliver any further financial information requested by the Chargee, acting reasonably.

18. INSURANCE

Without limiting the obligations of the Chargor under any provision of this Charge, the Chargor shall place or cause to be placed and shall keep in force throughout the term of this Charge the insurance coverage required pursuant to the Standard Charge Terms, including, without limitation, the following insurance coverage, in respect of the Property. The Chargor shall deliver to the Chargee copies of the policies of insurance signed by the insurer or insurers, which policies are to be in form and content satisfactory to the Chargee and the Chargee. Where, under the insurance policies described below, loss is payable to the Chargee and the Chargee, such insurance policies shall show the loss payable to the Chargee and the Chargee as first mortgagee.

- (a) All risks of direct physical loss or damage including, without limitation, coverage for the foundations of all improvements and flood and earthquake coverage, all on a replacement cost basis with loss payable to the Chargee and the Chargee under an Insurance Bureau of Canada mortgage clause; the policy should allow for the improvements on the Property to be completed (if applicable), for partial occupancy, and for the Property to be vacant and unoccupied for a period of at least thirty (30) days;
- (b) Comprehensive broad form boiler and machinery insurance covering all pressure vessels (whether fired or unfired), air conditioning and miscellaneous electrical apparatus on the Property, for an amount satisfactory to the Chargee and the Chargee, with loss payable to the Chargee and the Chargee under a Boiler and Machinery Insurance Association mortgage clause;
- (c) Business interruption or rental income loss coverage on a gross profits or rentals form sufficient to cover 100% of the loss of rent or loss of business income from the business conducted on the Property for a period of not less than twelve (12) months, based on the greater of actual or projected revenue, in respect of all perils stated in paragraphs (a) and (b) above; and
- (d) Commercial general liability insurance, inclusive of bodily injury, death or property damage or loss, for a minimum amount of \$5,000,000.00 per occurrence or such other amount as the Chargee or the Chargee may reasonably request, with the Chargee and the Chargee named as an additional insured.

The coverage required by paragraphs (a) and (b) above shall include by-law endorsements acceptable to the Chargee and the Chargee, including but not limited to same site waiver, increased cost of construction, undamaged portion coverage and demolition and debris coverage.

All policies shall be on a “no co-insurance basis”. All such insurance shall be placed with a company or companies satisfactory to the Chargee and the Chargee. Deductible amounts shall also be subject to the Chargee’s and the Chargee’s approval. All cancellations and alteration clauses in any policies of insurance, including those contained in the mortgage clause endorsements, shall provide for at least thirty (30) days prior written notice to the Chargee and the Chargee of any cancellation of or material alteration to the policy. If requested, the Chargor shall provide evidence of policy renewal or satisfactory replacement annually at least thirty (30) days prior to expiry. The Chargor shall deliver to the Chargee and the Chargee original or certified copies of all policies required hereunder.

In addition, the Chargee and the Chargee shall be entitled to require coverage of such other risks and perils as the Chargee may from time to time consider advisable or and in respect of which insurance coverage is available on commercially reasonable terms and which is normally obtained by owners of properties similar to the Property.

19. RELATED DEBT

The Chargor represents and warrants to the Chargee that it has not incurred any debt from, and does not owe any debt obligations to, any related or non-arm’s length party to the Chargor save and except the Guarantor (the “**Related Debt**”). The Chargor agrees and covenants not to make any interest or principal payment in account of any Related Debt after an event of default under this Charge or if such payments will cause a default in any of the conditions or covenants under this Charge.

20. ASSIGNMENT OF RECEIVABLES

After the occurrence of an event of a default under this Charge or any other Loan Document, the Chargor agrees and covenants to assign to the Chargee all of its right, title and interest in and to all of its account receivables.

21. INDEMNITY

The Chargor shall protect, defend, indemnify and save harmless the Chargee its shareholders, directors, officers, employees and agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation reasonable legal fees and expenses), imposed upon or incurred by or asserted against the Chargee by reason of (a) ownership of the Charge, the Property or any interest therein or receipt of any rents; (b) any accident, injury to or death of persons or loss of or damage to the Property occurring in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent the Property or adjacent parking areas, streets or ways; (c) any use, non-use or condition in, on or about the Property or any part thereof or on the adjoining sidewalks, curbs, adjacent the Property or adjacent parking areas, streets or ways; and (d) performance of any labour or services or the furnishing of any materials or other property in respect of the Property or any part thereof. Any amounts payable to the Chargee by reason of the application of this subsection shall become immediately due and payable and shall bear interest at the Interest Rate from the date loss or damage is sustained by the Chargee until paid.

22. CROSS-DEFAULT

The Chargor agrees that a default by the Chargor in the observance or performance of any of the agreements, covenants, obligations or conditions contained in any other charge/mortgage registered against the Property, regardless of whether such charge/mortgage is registered in priority to this Charge or is subordinate to this Charge and regardless of whether the Chargee consented to such charge/mortgage, shall constitute an Event of Default under this Charge and, at the sole option of the Chargee, the entire amount secured by this Charge, all unearned interest to the date of maturity and all Costs shall immediately become due and payable and the Chargee shall be entitled and authorized to exercise any and all of its rights and remedies under this Charge and at law and in equity.

23. DUE ON SALE OR CHANGE OF CONTROL

If:

- (a) the Chargor directly or indirectly sells, conveys, transfers or otherwise disposes of its interest in the Property or any part thereof or agrees to do so; or
- (b) there is a change in the direct or indirect effective voting control of the Chargor or more than twenty-five percent (25%) of the voting shares of the Chargor are transferred; or
- (c) the Chargor amalgamates or merges; or
- (d) the Chargor agrees to sell, convey, transfer or enter into an agreement for sale or transfer of title of the Property, any part thereof (including but not limited to the sale of shares or other interests resulting in a transfer of majority ownership interest) to a purchaser or transferee; or
- (e) the beneficial ownership structure in respect of the Property changes from that which exists as of the date of the registration of this Charge;

without the prior written consent of the Chargee having been obtained, which consent may be withheld by the Chargee in its sole, subjective and absolute discretion, then the Chargee may, at its option, declare forthwith due and payable the entire outstanding principal amount secured by this Charge and all accrued and unpaid interest thereon and all other amounts payable hereunder and the Chargee may exercise any and all rights and remedies available to it at law and under this Charge. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this clause together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereof.

24. EVENTS OF DEFAULT

In addition to any other rights and remedies available to the Chargee under any other Loan Document, at law or in equity, the Chargee may, by notice to the Chargor, terminate its obligation to advance the Loan which is the subject of this Charge or such portion thereof as from time to time may be unadvanced and in the event that the Loan has been advanced in whole or in part, declare the Charge in default and declare the Indebtedness to be immediately due and payable if any of the following events occur:

- (a) the Chargor commits or threatens to commit an act of bankruptcy or becomes insolvent or goes into liquidation or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency;
- (b) any petition or other proceeding is commenced for the bankruptcy or insolvency of the Chargor or for any reorganization, arrangement, composition, readjustment, liquidation or dissolution of the Chargor or similar relief under any present or future statute, law or regulation;
- (c) any trustee, receiver or liquidator of the Chargor, the Property or any part of the Property, assets or undertaking of the Chargor is appointed;
- (d) in the sole opinion of the Chargee or the Chargee, there is a material adverse change, in the position, financial or otherwise, of the Chargor, from that represented to the Chargee and the Chargee as at the date hereof;
- (e) there has been in the sole opinion of the Chargee or the Chargee, a material adverse change in the condition of the Property or in the actual or anticipated revenues from the Property;
- (f) the Chargor fails or is unable or unwilling for any reason whatsoever to comply with any of the terms and conditions of the Commitment Letter within the time required for such compliance;

- (g) the Chargor fails or refuses to execute any documentation requested by the Chargee, the Chargee or their solicitors relating to the Loan or fails or refuses to deliver such documentation;
- (h) the Chargor is otherwise in default in the observance or performance of any of its agreements, covenants or obligations under the Commitment Letter, this Charge or any of the other Loan Documents or would be in default if such Loan Documents had been executed and delivered in the form required or any representation or warranty by the Chargor in the Commitment Letter, this Charge or any of the other Loan Documents proves false or inaccurate in any material respect as at the date of each and every advance;
- (i) the Chargor fails to comply with applicable provincial construction lien legislation to the satisfaction of the Chargee; or
- (j) the Chargor fails to satisfy any condition precedent to funding set out in the Commitment Letter.

Delay in the exercise of the Chargee's right to declare the Charge to be immediately due and payable shall not be construed as a waiver of such right. Any failure of the Chargee to exercise its right shall not be construed as a waiver of its right in respect of any subsequent event, whether or not of a similar nature.

25. **RECEIVERSHIP**

Provided that, and notwithstanding anything herein contained, it is agreed that at any time and from time to time when the Chargor shall be in default in the payment or repayment of the Indebtedness, this Charge or the other Loan Documents, and whether or not the Principal Amount has been accelerated, the Chargee may, with or without entry into possession of the Property or any part thereof, and whether or not there has been such entry, by writing under its hand or at its option by application to a court of competent jurisdiction, for and during the period of such default, appoint a receiver or a receiver and manager (a "**Receiver**") of the Property or any part thereof and of the rents and profits thereof, or of only the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any Receiver and appoint another and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. Upon the appointment of a receiver, the following provisions shall apply:

- (a) A statutory declaration of the Chargee as to default under this Charge shall be conclusive evidence thereof for the purpose of the appointment of such Receiver;
- (b) Every such Receiver shall be the agent or attorney of the Chargor, whose appointment is irrevocable by the Chargor, for the collection of all rents or other money receivable in respect of the Property or any part thereof, and the Chargor covenants and agrees to co-operate with and assist the receiver and execute such documentation as the receiver shall reasonably require, in order to effect the aforesaid purposes;
- (c) The Chargee may from time to time in writing fix the remuneration of the Receiver;
- (d) The Receiver shall so far as concerns responsibility for the Receiver's acts or omissions be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;
- (e) The appointment of the Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect, and such appointment or anything which may be done by the Receiver or the removal of the Receiver or the termination of the receivership shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Property or any part thereof;
- (f) The Receiver shall have power to exercise any of the powers or discretions of the Chargee hereunder, and may rent or license for use any part of the Property which may become vacant for such term and subject to such provisions as the Receiver

may deem advisable or expedient, and in doing so the Receiver shall act as the attorney or agent of the Chargor and shall have the authority to execute under seal any lease in the name of and on behalf of the Chargor, and the Chargor undertakes to ratify and confirm whatever the Receiver may do in connection with the Property;

- (g) The Receiver shall have power to complete the Project and to construct or complete any unfinished construction upon the Property so that the Property and the buildings thereon so completed shall be a complete structure;
- (h) The Receiver shall have power to manage, operate, amend, repair, alter or extend the Property or any part thereof as it deems expedient in the name of the Chargor and to carry on or concur in carrying on all or any part of the business of the Chargor;
- (i) The Receiver may borrow or raise money on the security of all or any part of the Property in priority to or ranking equal with or subordinate to the charge of this Charge for such purpose as may be approved by the Chargee;
- (j) The Receiver shall not be liable to the Chargor to account for money or damages other than the money actually received by the Receiver in respect of the Property or any part thereof, and out of such money so received the Receiver shall, subject to other written directions from the Chargee, pay or make reasonable reserves for payment in the following order:
 - (i) the Receiver's remuneration and disbursements;
 - (ii) all obligations incurred by the Receiver in connection with the management, including leasing and licensing, operation, amendment, repair, alteration or extension of the Property or any part thereof, and in borrowing or raising money on the security of the Property, or any part thereof;
 - (iii) interest, principal and other money which may from time to time be or become charged upon the Property in priority to this Charge, and all taxes, insurance premiums and every other proper expenditure made or incurred by the Receiver in respect of the Property or any part thereof;
 - (iv) to the Chargee all amounts due under this Charge and to the extent elected by the Chargee, amounts to become due hereunder for no more than two (2) months; and
 - (v) and thereafter any surplus remaining in the hands of the Receiver shall be payable to the Chargor;
- (k) The Chargee may at any time and from time to time terminate any such receivership by notice in writing under its hand to the Chargor and to the Receiver; and
- (l) Save as to surplus money payable to the Chargor, the Chargor releases and discharges the Chargee and the Receiver from every claim of every nature, whether in damages or otherwise, arising by reason of anything done by the Chargee or the Receiver under the provisions of this section, unless such claim be the direct and proximate result of dishonesty or gross neglect.

26. RESIDENTIAL TENANCY LEGISLATION

The Chargor hereby covenants and agrees to comply with the provisions of the *Residential Tenancies Act, 2006* (Ontario) and any replacement of such legislation which deals with and governs residential tenancies in the Province of Ontario during the entire term of this Charge and represents, warrants and certifies as follows:

- (a) The Chargor and the Property is in compliance in all respects with the *Residential Tenancies Act, 2006* (Ontario) and all predecessor and successor rent control legislation;

- (b) The present rents charged to tenants at the Property are legal and there are no discrepancies between the legal rents disclosed and the rents currently charged which could result in the issuance of an order to rebate rents;
- (c) That there will be no reduction in services or facilities from the level of same as exists relating to the tenancies at the Property as of the date of the registration of this Charge;
- (d) There are no capital components included in the rents that might result in the legal rents being lowered at a future date;
- (e) There have been no allegations by tenants of inadequate maintenance or of withdrawal of services or facilities;
- (f) No tenant application or investigation by the Landlord and Tenant Board or proceeding is pending or threatened which could result in a reduction of the legal rent and rent rebates;
- (g) No orders exist prohibiting rent increases; and
- (h) No work orders exist which could result in the issuance of an order prohibiting rent increases.

Any material breach of the provisions of the *Residential Tenancies Act, 2006* (Ontario) or any other statute regulating the rents that may be charged to tenants shall constitute a default under this Charge entitling the Chargee, at its option, to exercise all its rights and remedies hereunder.

27. CHARGEЕ NOT A MORTGAGEE IN POSSESSION

It is agreed that the Chargee, in exercising any of its rights under this Charge, shall be deemed not to be a mortgagee in possession of the Property.

28. OBLIGATIONS AS COVENANTS

Each obligation of the Chargor expressed in this Charge, even though not expressed as a covenant, is deemed for all purposes to be a covenant made with the Chargee.

29. SEVERABILITY

If any one or more of the provisions contained in this Charge shall for any reason be held by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Chargee, be severable from and shall not affect any other provision of this Charge, but this Charge shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Charge.

30. LIMIT ON INTEREST RATE

- (a) If any provision of the Charge would oblige the Chargor to make any payment of interest or other amount payable to the Chargee in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Chargee of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Chargee of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:
 - (i) firstly, by reducing the amount or rate of interest required to be paid to the Chargee under this Charge; and

- (ii) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the Chargee which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).
- (b) Notwithstanding the provisions of this Section 21, and after giving effect to all adjustments contemplated thereby, if the Chargee shall have received an amount in excess of the maximum permitted by Subsection 21(a), then the Chargor shall be entitled, by notice in writing to the Chargee, to obtain reimbursement from the Chargee in an amount equal to such excess, and pending such reimbursement, such amount shall be deemed to be an amount payable by the Chargee to the Chargor.
- (c) Any amount or rate of interest referred to in this Section 21 shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Chargee shall be conclusive for the purposes of such determination.

31. FULL AND ACCURATE DISCLOSURE

None of the Loan Documents and other documents and materials provided by or on behalf of the Chargor to the Chargee contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. No statement of fact made by or on behalf of the Chargor in this Charge or in any of the other Loan Documents contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. There is no fact presently known to the Chargor which has not been disclosed to the Chargee which adversely affects, nor as far as the Chargor can foresee, might adversely affect, the Property or the business, operations or condition (financial or otherwise) of the Chargor.

32. TIME OF THE ESSENCE

Time shall be of the essence in all matters relating to this Charge.

33. INTERPRETATION AND HEADINGS

Wherever in this Charge the singular or masculine is used, the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this Charge and have been inserted for convenience of reference only.

34. BENEFICIAL OWNERSHIP OF PROPERTY

The Chargor represents and warrants to the Chargee that the Chargor is the sole beneficial owner of all of the Property and the Chargor does not hold title to the Property or any part thereof or any interest therein as trustee, nominee, agent or otherwise for any other party. The Chargor acknowledges that the Chargee is relying on this representation and warranty in agreeing to advance to the Chargor the funds that are secured by this Charge.

This is Exhibit "I" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

GENERAL SECURITY AGREEMENT

THIS AGREEMENT made as of the 29 day of June, 2023.

BETWEEN:

ICICI BANK CANADA
(herein called the "Lender")

- and -

2338486 ONTARIO LIMITED
(herein called the "Debtor")

THIS AGREEMENT WITNESSES that, in consideration of the promises contained herein and other good and valuable consideration, the Debtor agrees with the Lender as follows:

ARTICLE 1 INTERPRETATION

1.01 Defined Terms. All capitalized terms which are used herein which are not otherwise defined herein shall have the respective meanings ascribed thereto in the Commitment Letter. In this agreement, unless there is something in the context or subject matter inconsistent therewith,

"Act" means the *Personal Property Security Act* (Ontario), as amended from time to time, and any regulations thereto.

"Business Day" means a day except a Saturday or a Sunday, a statutory holiday in the Province of Ontario or a day on which banks are closed in Toronto, Ontario.

"Charge" means the charge/mortgage of the Property granted by the Debtor to the Lender in the original principal amount of \$2,800,000.00 registered against the Property as Instrument No. _____ on _____, as it may be amended.

"Collateral" means all undertaking, personal property and assets of the Debtor now owned or hereafter acquired and any proceeds from the sale or other disposition thereof, all of which is further described, without limitation, in Section 2.02.

"Commitment Letter" means the commitment letter made as of June 29, 2023 between Lender and the Debtor, as the same may be amended, modified or replaced from time to time, and pursuant to which certain credit facilities were established in favour of the Debtor.

"Loan Documents" the Charge and the Security.

"Obligations" means the obligations of the Debtor secured by the Charge.

“Person” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, trustee, estate, limited liability company, unincorporated organization, real estate investment trust, government or any agency or political subdivision thereof, or any other form of entity.

“Property” means the lands and premises municipally known as 392 and 398 Erb Street West, Waterloo, Ontario and legally described in Schedule “A” hereto.

“Security” shall have the meaning ascribed thereto in the Commitment Letter.

1.02 Other Usages. References to “this agreement”, “hereof”, “herein”, “hereto” and like references refer to this General Security Agreement and the Schedules hereto and not to any particular Article, Section or other subdivision of this agreement.

1.03 Number and Gender. Where the context so requires, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

1.04 Headings. The insertion of headings in this agreement is for convenience of reference only and shall not affect the construction or interpretation of this agreement.

1.05 Currency. Unless otherwise specified herein, all statements of or references to dollar amounts in this agreement shall mean lawful money of Canada.

1.06 Applicable Law and Attornment Clause. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties hereby attorn to the courts of the Province of Ontario and agree that those courts shall have non-exclusive jurisdiction to determine all disputes relating to this agreement.

1.07 Prohibited Provisions. In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.

1.08 Time of the Essence. Time shall in all respects be of the essence of this agreement, and no extension or variation of this agreement or any obligation hereunder shall operate as a waiver of this provision.

1.09 Schedules. Each and every one of the schedules which is referred to in this agreement and attached to this agreement shall form a part of this agreement.

1.10 Terms Defined by the Act. Unless there is something in the context or subject-matter inconsistent therewith, words and phrases not otherwise herein defined that are defined in the Act shall have the meanings ascribed thereto respectively by the Act.

ARTICLE 2

SECURITY INTEREST

2.01 Grant of Security Interest. As general, continuing and collateral security for the payment and performance of all Obligations, the Debtor hereby grants to the Lender a security interest in the Collateral.

2.02 Description of Collateral. The following undertaking, property and assets of the Debtor shall be subject to the security interest in favour of the Lender created by this agreement:

(a) ***Accounts***

all debts, amounts, claims and moneys which now are, or which may at any time hereafter be, due or owing to or owed by the Debtor, whether or not earned by performance including, without limitation, all intercompany loans and advances made by the Debtor to its affiliates; all securities, mortgages, bills, notes and other documents now held or owned, or which may be hereafter taken, held or owned, by or on behalf of the Debtor, in respect of the said debts, amounts, claims and moneys or any part thereof; and all books, documents and papers recording, evidencing or relating to the said debts, amounts, claims and moneys or any part thereof, all of which are herein called the "Accounts";

(b) ***Inventory***

all goods or chattels now or hereafter forming the inventory of the Debtor including, without limitation, all goods, merchandise, raw materials, work in process, finished goods, goods held for sale or resale or lease or that have been leased or that are to be, or have been, furnished under a contract of service, and goods used in or procured for packing or packaging, all of which are herein called the "Inventory";

(c) ***Equipment***

all equipment now owned or hereafter acquired by the Debtor, including, without limitation, all machinery, fixtures, plant, tools, furniture, chattels, vehicles of any kind or description including, without limitation, motor vehicles, parts, accessories installed in or affixed or attached to any of the foregoing, all drawings, specifications, plans and manuals relating thereto, and any other tangible personal property which is not Inventory, all of which are herein called the "Equipment";

(d) ***Intangibles***

all intangible property now owned or hereafter acquired by the Debtor and which is not Accounts including, without limitation, all contractual rights, goodwill, patents, trademarks, trade names, copyrights and other intellectual property of the Debtor and all other choses in action of the Debtor of every kind, whether due or owing at the present time or hereafter to become due or owing, all of which are herein called the "Intangibles";

(e) ***Documents of Title***

any writing now or hereafter owned by the Debtor that purports to be issued by or addressed to a bailee and purports to cover such goods and chattels in the bailee's possession as are identified or fungible portions of an identified mass, whether such goods and chattels are Inventory or Equipment, and which writing is treated in the ordinary course of business as establishing that the person in possession of such writing is entitled to receive, hold and dispose of the said writing and the goods and chattels it covers, and further, whether such writing is negotiable in form or otherwise, including bills of lading and warehouse receipts, all of which are herein called the "Documents of Title";

(f) ***Money***

all money now or hereafter owned by the Debtor, whether such money is authorized or adopted by the Parliament of Canada as part of its currency or by any foreign government as part of its currency, all of which are herein called the "Money";

(g) ***Chattel Paper***

all present and future agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific goods, all of which are herein called the "Chattel Paper";

(h) ***Instruments***

all present and future bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)) of the Debtor, and all other writings of the Debtor that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment and all letters of credit and advices of credit of the Debtor provided that such letters of credit and advices of credit state that they must be surrendered upon claiming payment thereunder, all of which are herein called the "Instruments";

(i) ***Investment Property***

all present and future investment property held by the Debtor, including securities, shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and all substitutions therefor and, subject to Section 2.06, dividends and income derived therefrom, all of which are herein called the "Investment Property";

(j) ***Documents***

all documents, including, without limitation, all books, invoices, letters, papers and other records, in any form evidencing or relating to the Collateral, all of which are herein called the "Documents";

(k) ***Proceeds***

all property in any form derived directly or indirectly from any dealing with the Collateral or the proceeds therefrom, including, without limitation, property that indemnifies or compensates for the expropriation, destruction or damage of the Collateral or the proceeds therefrom, all of which are herein called the "Proceeds";

(l) ***Leaseholds***

subject to Section 2.05, all leases, now owned or hereafter acquired by the Debtor as tenant (whether oral or written) or any agreement therefor, all of which are herein called the "Leaseholds"; and

(m) ***Undertaking***

all present and future personal property, business, and undertaking of the Debtor not being Accounts, Inventory, Equipment, Intangibles, Documents of Title, Money, Chattel Paper, Instruments, Investment Property, Documents, Proceeds or Leaseholds, all of which are herein called the "Undertaking".

The Accounts, Inventory, Equipment, Intangibles, Documents of Title, Money, Chattel Paper, Instruments, Investment Property, Documents, Proceeds, Leaseholds and Undertaking are herein collectively called the "Collateral".

2.03 Further Description of Collateral. Without limiting the generality of the description of Collateral as set out in Section 2.02, for greater certainty the Collateral shall include all present and future personal property of the Debtor located on or about or in transit to or from the location(s) set out in Schedule "B" hereto.

2.04 Attachment of Security Interest. The parties hereby acknowledge that:

- (a) value has been given;
- (b) the Debtor has rights in the Collateral; and
- (c) the parties have not agreed to postpone the time for attachment of the security interest created by this agreement.

2.05 Exception re: Leaseholds and Contractual Rights. The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the security interest created by this agreement, but the Debtor agrees to stand possessed of such last day in trust for such person as the Lender may direct and the Debtor shall assign and dispose thereof

in accordance with such direction. To the extent that the security interest created by this agreement in any contractual rights would constitute a breach or cause the acceleration of such contract, said security interest shall not be granted hereunder but the Debtor shall hold its interest therein in trust for the Lender, upon the Lender's request shall use its best efforts to obtain the appropriate consents to the attachment of said security interest and shall grant a security interest in such contractual rights to the Lender forthwith upon obtaining the appropriate consents to the attachment of said security interest.

- 2.06 Collateral Consisting of Investment Property.** If any of the Collateral consists of Investment Property, (a) the Debtor authorizes the Lender to transfer such Collateral or any part thereof into its own name or that of its nominee so that the Lender or its nominee may appear of record as the sole owner thereof; provided, that until the security hereby constituted becomes enforceable, the Lender shall deliver promptly to the Debtor all notices, statements or other communications received by it or its nominee as such registered owner, and upon demand and receipt of payment of necessary expenses thereof, shall give to the Debtor or its designee a proxy or proxies to vote and take all action with respect to such property; provided further that after the security hereby constituted becomes enforceable, the Debtor waives all rights to be advised of or to receive any notices, statements or communications received by the Lender or its nominee as such record owner, and agrees that no proxy or proxies given by the Lender to the Debtor or its designee as aforesaid shall thereafter be effective; and (b) the Debtor further agrees to execute such other documents and to perform such other acts, and to cause any issuer or securities intermediary to execute such other documents and to perform such other acts as may be necessary or appropriate in order to give the Lender "control" of such Investment Property, as defined in the *Securities Transfer Act* (Ontario), which "control" shall be in such manner as the Lender shall designate in its sole judgment and discretion, including, without limitation, an agreement by any issuer or securities intermediary that it will comply with instructions in the case of an issuer or entitlement orders in the case of a securities intermediary, originated by the Lender, whether before or after security hereby constituted becomes enforceable, without further consent by the Debtor.

2.07 Income from and Interest on Collateral Consisting of Investment Property

- (a) Until the security hereby constituted becomes enforceable, the Debtor reserves the right to receive all income from or interest on the Collateral consisting of Investment Property, and if the Lender receives any such income or interest prior to the security hereby constituted becoming enforceable, the Lender shall pay such income or interest promptly to the Debtor.
- (b) After the security hereby constituted becomes enforceable, the Debtor will not demand or receive any income from or interest on such Collateral, and if the Debtor receives any such income or interest without any demand by it, such income or interest shall be held by the Debtor in trust for the Lender in the same medium in which received, shall not be commingled with any assets of the Debtor and shall be delivered to the Lender in the form received, properly endorsed to permit collection, not later than the next business day following the day of its receipt. The Lender may apply the net cash receipts from such income or interest to payment of any of

the Obligations, provided that the Lender shall account for and pay over to the Debtor any such income or interest remaining after payment in full of the Obligations.

ARTICLE 3 WARRANTIES AND COVENANTS OF THE DEBTOR

3.01 Warranties and Covenants. The Debtor hereby warrants, covenants and agrees with the Lender as follows:

- (a) The Debtor will keep its chief executive office where it keeps its records concerning the Accounts located at the address set out in Section 6.07 hereof, or, upon 20 Business Days prior notice to the Lender, at such other location in a jurisdiction where all actions required by Section 6.03 shall have been taken with respect to the Accounts.
- (b) The Collateral is now and will be located at the address(es) set out in Schedule "B" hereto. In the event the Collateral becomes located at any address not set out in in Schedule "B" hereto, the Debtor shall promptly notify the Lender in writing of the details thereof.
- (c) The Debtor shall keep the Collateral in good condition and repair.
- (d) The Debtor shall obtain, observe and perform all its obligations under leases, licenses and agreements, preserve its rights, powers, licenses, privileges, franchises and goodwill, and comply with all applicable laws, rules and regulations in a proper and efficient manner so as to preserve and protect the Collateral and the security interest created by this agreement.
- (e) The Debtor shall prevent the Collateral from becoming an accession to any personal property not subject to this agreement, or becoming affixed to any real property.
- (f) The Debtor shall, upon the Lender's request, deliver to the Lender from time to time as the same are acquired by the Debtor all items of Collateral comprising Investment Property (to the extent certificated). Such delivery shall be effected by depositing with the Lender all certificates representing such Investment Property (to the extent certificated). All certificates so deposited shall, unless all necessary consents and approvals are obtained, not contain any reference to restrictions on the transfer of the shares represented thereby and shall be duly endorsed in blank for transfer or shall be attached to duly executed powers of attorney or forms of transfer.
- (g) As of the date hereof, the Debtor does not own any motor vehicles.
- (h) The Debtor shall deliver to the Lender upon the request of the Lender from time to time all items of Collateral comprising Documents of Title, Chattel Paper, Instruments and Documents.

- (i) The Debtor shall pay all reasonable costs and expenses of the Lender, its agents, officers and employees (including, without limitation, legal fees and disbursements on a substantial indemnity basis) incurred with respect to:
 - (i) the preparation, perfection, execution and filing of this agreement and the filing of financing statement(s) and financing change statement(s) with respect to this agreement;
 - (ii) dealing with other creditors of the Debtor in connection with the establishment and confirmation of the priority of the security interest created by this agreement;
 - (iii) the exercising of any or all of the rights, remedies and powers of the Lender under this agreement; and
 - (iv) recovering or repossessing the Collateral and any other proceedings taken for the purpose of enforcing the remedies provided herein, including, without limitation, the appointment of a receiver, manager or receiver and manager, whether by order of the court or by private appointment.
- (j) The Debtor shall indemnify the Lender for all costs and expenses as set out in Sections 3.01(i) and 3.02 and agrees that all such costs and expenses shall be payable by the Debtor to the Lender on demand and shall bear interest at the annual rate equal to the applicable rate set out in the Charge plus four percent (4%), which interest shall be calculated and compounded monthly and payable on demand.

3.02 Performance of Covenants by the Lender. The Lender may, in its sole discretion and upon notice to the Debtor, perform any covenant of the Debtor under this agreement that the Debtor fails to perform and that the Lender is capable of performing, including any covenant the performance of which requires the payment of money, provided that the Lender will not be obligated to perform any such covenant on behalf of the Debtor and no such performance by the Lender will require the Lender further to perform the Debtor's covenants nor operate as a derogation of the rights and remedies of the Lender under this agreement.

ARTICLE 4

RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

4.01 Permitted Sales. The Debtor may, at any time, without the consent of the Lender:

- (a) lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business so that the purchaser thereof takes title clear of the security interest created by this agreement but if such sale, lease or other dealing with results in an Account, such Account shall be subject to the security interest created by this agreement;
- (b) sell or otherwise dispose of such part of its Equipment which is not necessary to or useful in connection with its business and undertaking, or which has become worn

out or damaged or otherwise unsuitable for its purpose; provided that such Equipment is replaced or has nominal value; and

- (c) continue to collect, at its own expense, all amounts due or to become due to the Debtor under the Accounts; and in connection with such collections, take (and, at the Lender's direction, shall take) such action as the Debtor or the Lender may deem necessary or advisable to enforce collection of the Accounts; provided, however, that the Lender shall have the right at any time upon the security hereby constituted becoming enforceable to notify the account debtors or obligors under any Accounts of the assignment of such Accounts to the Lender and to direct such account debtors or obligors to make payment of all amounts due or to become due to the Debtor thereunder directly to the Lender and to give valid and binding receipts and discharges therefor and in respect thereof and, upon such notification and at the expense of the Debtor, to enforce collection of any such Accounts, and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the Debtor might have done.

After the security hereby constituted becomes enforceable,

- (d) all money or other form of payment received by the Debtor in respect of the Accounts shall be received in trust for the benefit of the Lender hereunder, shall be segregated from other funds of the Debtor and shall be forthwith paid over to the Lender in the same form as so received (with any necessary endorsement) to be held as cash collateral and applied as provided by Section 5.07; and
- (e) the Debtor shall not adjust, settle or compromise the amount or payment of any Accounts, or release wholly or partly any account debtor or obligor thereof, or allow any credit or discount thereon.

4.02 Release by the Lender. The Lender may, at its discretion, at any time release from the security interest created by this agreement any part or parts of the Collateral or any other security or any surety for the Obligations either with or without sufficient consideration therefor without thereby releasing any other part of the Collateral or any person from this agreement.

4.03 Proceeds Held in Trust. All Proceeds that are monies collected or received by the Debtor will be received by the Debtor in trust for the Lender and will be forthwith paid to the Lender. The Lender shall not exercise its rights under this Section 4.04, and the Debtor's trust obligations under this Section 4.04 need not be complied with, unless such Proceeds arise from a disposition of Collateral which is not permitted hereunder or unless and until the security hereby constituted becomes enforceable.

ARTICLE 5 DEFAULT AND ENFORCEMENT

5.01 Enforcement. The security hereby constituted shall immediately become enforceable without further notice of any kind, which notice is expressly waived by the Debtor, upon the Charge becoming enforceable in accordance with the terms thereof.

5.02 Remedies. At any time after the happening of any event by which the security hereby constituted becomes enforceable, subject to Applicable Laws, the Lender shall have the following rights, powers and remedies:

- (a) to appoint any person to be an agent or any person to be a receiver, manager or receiver and manager (herein called the "Receiver") of the Collateral and to remove any Receiver so appointed and to appoint another if the Lender so desires; it being agreed that any Receiver appointed pursuant to the provisions of this agreement shall have all of the powers of the Lender hereunder, and in addition, shall have the power to carry on the business of the Debtor;
- (b) to make payments to parties having prior charges or encumbrances on properties on which the Lender may hold charges or encumbrances;
- (c) to enter onto any premises where the Collateral may be located;
- (d) to take possession of all or any part of the Collateral with power to exclude the Debtor, its agents and its servants therefrom;
- (e) to preserve, protect and maintain the Collateral and make such replacements thereof and additions thereto as the Lender shall deem advisable;
- (f) to enjoy and exercise all powers necessary or incidental to the performance of all functions provided for in this agreement including, without limitation, the power to purchase on credit, the power to borrow in the Debtor's name or in the name of the Receiver and to advance its own money to the Debtor at such rates of interest as it may deem reasonable, provided that the Receiver shall borrow money only with the prior consent of the Lender, and to grant security interests in the Collateral in priority to the security interest created by this agreement, as security for the money so borrowed;
- (g) to sell, lease or dispose of all or any part of the Collateral whether by public or private sale or lease or otherwise and on any terms so long as every aspect of the disposition is commercially reasonable, including, without limitation, terms that provide time for payment of credit; provided that
 - (i) the Lender or the Receiver will not be required to sell, lease or dispose of the Collateral, but may peaceably and quietly take, hold, use, occupy, possess and enjoy the Collateral without molestation, eviction, hindrance or interruption by the Debtor or any other person or persons whomsoever for such period of time as is commercially reasonable;
 - (ii) the Lender or the Receiver may convey, transfer and assign to a purchaser or purchasers the title to any of the Collateral so sold; and
 - (iii) subject to Section 5.07, the Debtor will be entitled to be credited with the actual proceeds of any such sale, lease or other disposition only when such proceeds are received by the Lender or the Receiver in cash or such other

form of compensation as may be acceptable to the Lender, in its sole discretion;

- (h) to enjoy and exercise all of the rights and remedies of a secured party under the Act;
- (i) to dispose of all or any part of the Collateral in the condition in which it was on the date possession of it was taken, or after any commercially reasonable repair, processing or preparation for disposition;
- (j) to sell or otherwise dispose of any part of the Collateral without giving any notice whatsoever where:
 - (i) the Collateral is perishable;
 - (ii) the Lender or the Receiver believes on reasonable grounds that the Collateral will decline speedily in value;
 - (iii) the Collateral is of a type customarily sold on a recognized market;
 - (iv) the cost of care and storage of the Collateral is disproportionately large relative to its value;
 - (v) every person entitled by law to receive a notice of disposition consents in writing to the immediate disposition of the Collateral; or
 - (vi) the Receiver disposes of the Collateral in the course of the Debtor's business;
- (k) to have Investment Property included in the Collateral registered on the books of the issuers of such Investment Property in the name of the Lender or such nominee of the Lender as the Lender shall direct;
- (l) to commence, continue or defend proceedings in any court of competent jurisdiction in the name of the Lender, the Receiver or the Debtor for the purpose of exercising any of the rights, powers and remedies set out in this Section 5.02, including the institution of proceedings for the appointment of a receiver, manager or receiver and manager of the Collateral; and
- (m) at the sole option of the Lender, provided notice is given in the manner required by the Act to the Debtor and to any other person to whom the Act requires notice be given, to elect to retain all or any part of the Collateral in satisfaction of the Obligations.

5.03 Receiver as Agent. The Receiver shall be deemed to be the agent of the Debtor for the purpose of establishing liability for the acts or omissions of the Receiver and the Lender shall not be liable for such acts or omissions and, without restricting the generality of the

foregoing, the Debtor hereby irrevocably authorizes the Lender to give instructions to the Receiver relating to the performance of its duties as set out herein.

- 5.04 Expenses of Enforcement.** The Debtor shall pay to the Receiver the remuneration of the Receiver and all reasonable costs and expenses (including, without limitation, legal fees and disbursements on a solicitor and client basis) properly incurred by the Receiver pursuant to its appointment and the exercise of its powers hereunder, and shall pay to the Lender and the Receiver as required all amounts of money (including interest thereon) borrowed or advanced by either of them pursuant to the powers set out herein, and the obligations of the Debtor to the Lender and the Receiver pursuant to this Section 5.04 shall be payable on demand and shall bear interest at an annual rate equal to the applicable interest rate set out in the Charge plus four percent (4%), which interest shall be calculated and compounded monthly and payable on demand.
- 5.05 Indulgences and Releases.** Either the Lender or the Receiver may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Lender or the Receiver may see fit without prejudice to the Obligations or the right of the Lender and the Receiver to repossess, hold, collect and realize the Collateral.
- 5.06 No Liability for Failure to Exercise Remedies.** The Lender and the Receiver shall not be liable or accountable to the Debtor or to any other person for any failure to exercise any of the rights, powers and remedies set out in Section 5.02, and shall not be bound to commence, continue or defend proceedings for the purpose of preserving or protecting any rights of the Lender, the Receiver, the Debtor or any other party in respect of the same.
- 5.07 Proceeds of Disposition.** Subject to the claims, if any, of the prior secured creditors of the Debtor, all monies received by the Lender or by the Receiver pursuant to Section 5.02 shall be applied as follows:
- (a) first, in payment of all costs and expenses incurred by the Lender in the exercise of all or any of the powers granted to it under this agreement, including, without limitation, the costs and expenses referred to in Sections 3.01(j) and 3.02 and in payment of all of the remuneration of the Receiver and all costs and expenses properly incurred by the Receiver in the exercise of all or any of the powers granted to it under this agreement, including, without limitation, the remuneration, costs and expenses referred to in Section 5.04;
 - (b) second, in payment of all amounts of money borrowed or advanced by either of the Lender or the Receiver pursuant to the powers set out in this agreement and any interest thereon;
 - (c) third, to the payment or prepayment of the Obligations, provided that if there are not sufficient moneys to pay all of the Obligations, the Lender may apply the

moneys available to such part or parts thereof as the Lender, in its sole discretion, may determine; and

(d) fourth, in payment of any surplus in accordance with applicable law.

5.08 Debtor Liable for Deficiency. If the monies received by the Lender or the Receiver pursuant to Section 5.02 are not sufficient to pay the claims set out in Sections 5.07(a), (b) and (c), the Debtor shall immediately pay the Lender the amount of such deficiency.

5.09 Restriction on Debtor. Upon the Lender taking possession of the Collateral or the appointment of a Receiver, all the powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor with respect to the Collateral shall, to the extent permitted by law, be suspended unless specifically continued by the written consent of the Lender; however, all other powers, functions, rights and privileges of the Debtor or any officer, director, servant or agent of the Debtor shall be unaffected by such events.

5.10 Rights Cumulative. All rights and remedies of the Lender set out in this agreement shall be cumulative and no right or remedy contained herein is intended to be exclusive but each shall be in addition to every other right or remedy contained herein or in any existing or future security document or now or hereafter existing at law or in equity or by statute. The taking of a judgment or judgments with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this agreement.

5.11 Care by the Lender. The Lender shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral in the Lender's possession if it takes such action for that purpose as the Debtor requests in writing, but failure of the Lender to comply with any such request shall not be deemed to be (or to be evidence of) a failure to exercise reasonable care, and no failure of the Lender to preserve or protect any rights with respect to such Collateral against prior parties, or to do any act with respect to the preservation of such Collateral not so requested by the Debtor, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

5.12 Standards of Sale. Without prejudice to the ability of the Lender to dispose of the Collateral in any manner which is commercially reasonable and in accordance with Applicable Law, the Debtor acknowledges that a disposition of Collateral by the Lender which takes place substantially in accordance with the following provisions shall be deemed to be commercially reasonable:

- (a) Collateral may be disposed of in whole or in part;
- (b) Collateral may be disposed of by public sale following one advertisement in a newspaper or trade publication having general circulation in the location of such Collateral at least seven days prior to such sale;
- (c) Collateral may be disposed of by private sale after receipt by the Lender of two written offers;

- (d) the purchaser or lessee of such Collateral may be a customer of the Lender;
- (e) the disposition may be for cash or credit, or part cash and part credit; and
- (f) the Lender may establish a reserve bid in respect of all or any portion of the Collateral.

ARTICLE 6 GENERAL

- 6.01 Waiver.** Any breach by the Debtor of any of the provisions contained in this agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, may only be waived by the Lender in writing, provided that no such waiver by the Lender shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.
- 6.02 The Lender as Attorney.** The Debtor hereby irrevocably appoints the Lender and any person further designated by the Lender to be the attorney of the Debtor for and in the name of the Debtor to execute and do any deeds, documents, transfers, demands, assignments, assurances, consents and things which the Debtor is obliged to sign, execute or do hereunder and, after the happening of any event by which the security hereby constituted becomes enforceable, to commence, continue and defend any proceedings authorized to be taken hereunder and generally to use the name of the Debtor in the exercise of all or any of the powers hereby conferred on the Lender. The power of attorney hereby granted is coupled with an interest, is irrevocable and shall extend to the successor and assigns of the Debtor. The Debtor agrees to be bound by any representations and actions made or taken in good faith by the Lender pursuant to this power of attorney in accordance with the terms thereof and hereby waives any and all defences which may be available to it to contest, negate or disaffirm the actions of the Lender taken in good faith under this power of attorney.
- 6.03 Further Assurances.** The Debtor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such further acts, deeds, mortgages, transfers and assurances and take all such further action or cause such further action to be taken as the Lender shall reasonably require for the better assuring, charging, assigning and conferring unto the Lender a security interest in the Collateral or property intended to be charged hereunder, or which the Debtor may hereafter become bound to charge in favour of the Lender, for the purpose of accomplishing and effecting the intention of this agreement.
- 6.04 Continuing Security.** The security interest constituted hereby shall be deemed to be a continuing security for the Obligations until all of the Obligations from time to time are paid and performed in full and this agreement is terminated.
- 6.05 No Obligation to Advance.** Neither the execution nor delivery of this agreement shall obligate the Lender to advance any moneys to the Debtor.

6.06 Consumer Goods. Notwithstanding any other clause in this agreement, in no event shall goods that are used or acquired for use primarily for personal, family or household purposes form part of the Collateral.

6.07 Notices. Any demand, notice or other communication in connection with this agreement shall be in writing and shall be personally delivered to an officer of the addressee or sent by telefacsimile, charges prepaid, at or to the address or telefacsimile number of the party set opposite its name below or to such other address or addresses, telefacsimile number or numbers as either party may from time to time designate to the other party in such manner. Any demand or notice which is personally delivered as aforesaid shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of delivery. Any demand or notice which is transmitted by telefacsimile shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was made during normal business hours of the recipient; otherwise, it shall be deemed to have been validly and effectively given on the Business Day next following such date of transmission.

To the Debtor, addressed as follows:

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel
E-Mail: hojokitchener@yahoo.com

and a copy (which shall not in itself constitute notice to the Debtor) to:

Virk Law
88 Edna Street
Kitchener, Ontario N2H 2E5

Attention: Jaspal Virk
E-Mail: jaspal@virklawoffice.com

To the Lender, addressed as follows:

ICICI Bank Canada
Don Valley Business Park
150 Ferrand Drive, Suite 1200
Toronto, Ontario M3C 3E5

Attention: Mr. Lester Fernandes, Head of Corporate and Commercial Banking
E-Mail: lester.fernandes@icicibank.com

and a copy (which shall not in itself constitute notice to the Lender) to:

Blaney McMurtry LLP
2 Queen Street East, Suite 1500
Toronto, Ontario M5C 3G5

Attention: Jeffrey Warren
E-Mail: jwarren@blaney.com

- 6.08 Successors and Assigns.** This agreement shall enure to the benefit of the Lender and its successors and assigns and shall be binding upon the Debtor and its successors and permitted assigns.
- 6.09 Amalgamation of Debtor.** The Debtor hereby acknowledges and agrees that, subject to compliance with the Charge, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term "Debtor", when used herein, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interest granted hereby:
- (a) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation;
 - (b) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any "Obligations" of the amalgamated corporation to the Lender thereafter arising; and
 - (c) shall attach to "Collateral" owned by each corporation amalgamating with the Debtor and by the amalgamated corporation, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired.
- 6.10 Entire Agreement.** Except for the Commitment Letter, the Charge and the Security and any document, agreement or instrument delivered pursuant thereto or referred to therein, this agreement constitutes the entire agreement between the parties hereto and supersedes any prior agreements, undertakings, declarations, representations and undertakings, both written and oral, in respect of the subject matter hereof.
- 6.11 Receipt of Financing Statement, etc.** The receipt by the Debtor's legal counsel of a financing statement or financing change statement shall be deemed to be receipt of same by the Debtor.
- 6.12 Acknowledgment.** The Debtor hereby acknowledges receipt of an executed copy of this agreement.

- 6.13 Paramountcy.** In the event of any conflict or inconsistency between the provisions of this agreement and the Commitment Letter, the Lender shall determine which shall prevail and be paramount.

[Signature Page Follows]

IN WITNESS WHEREOF the Debtor has executed this agreement.

2338486 ONTARIO LIMITED

Per: 

Name: Kamal Patel

Title: President

I have authority to bind the corporation.

SCHEDULE "A"
LEGAL DESCRIPTION

FIRSTLY:

PIN 22393-0128(LT):

PT LT 18 PL 696 CITY OF WATERLOO AS IN 305968; WATERLOO
SECONDLY:

PIN 22393-0129(LT):

PT LT 18 PL 696 CITY OF WATERLOO AS IN 435372, EXCEPT PT 1, 58R6092; WATERLOO

SCHEDULE "B"
LOCATION OF COLLATERAL

1. 29 Idle Ridge Court, Kitchener, Ontario
2. 392 and 398 Erb Street West, Waterloo, Ontario

This is Exhibit “J” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

Properties		
PIN	22393 - 0128 LT	
Description	PT LT 18 PL 696 CITY OF WATERLOO AS IN 305968; WATERLOO	
Address	392 ERB STREET WEST WATERLOO	
PIN	22393 - 0129 LT	
Description	PT LT 18 PL 696 CITY OF WATERLOO AS IN 435372, EXCEPT PT 1, 58R6092; WATERLOO	
Address	398 ERB STREET WEST WATERLOO	

Applicant(s)	
The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.	
Name	2338486 ONTARIO LIMITED
Address for Service	29 Idle Ridge Court Kitchener, Ontario N2A 3W3
A person or persons with authority to bind the corporation has/have consented to the registration of this document.	
This document is not authorized under Power of Attorney by this party.	

Party To(s)	Capacity	Share
Name	ICICI BANK CANADA	
Address for Service	150 Ferrand Drive Suite 1200 Toronto, Ontario M3C 3E5	

Statements
The applicant applies for the entry of a notice of general assignment of rents.
This notice may be deleted by the Land Registrar when the registered instrument, WR1517871 registered on 2023/07/04 to which this notice relates is deleted
Schedule: See Schedules

Signed By				
Ian William Thomas Clough	2 Queen Street East Suite 1500 Toronto M5C 3G5	acting for Applicant(s)	Signed	2023 07 04
Tel 416-593-1221				
Fax 416-593-5437				
I have the authority to sign and register the document on behalf of all parties to the document.				
Ian William Thomas Clough	2 Queen Street East Suite 1500 Toronto M5C 3G5	acting for Party To(s)	Signed	2023 07 04
Tel 416-593-1221				
Fax 416-593-5437				
I have the authority to sign and register the document on behalf of all parties to the document.				

Submitted By		
BLANEY MCMURTRY LLP	2 Queen Street East Suite 1500 Toronto M5C 3G5	2023 07 04
Tel 416-593-1221		
Fax 416-593-5437		

Fees/Taxes/Payment	
Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Party To Client File Number :

099434-0100

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT (the “**Assignment**”) made as of the 4th day of July, 2023,

BETWEEN:

2338486 ONTARIO LIMITED

(the “**Assignor**”)

and

ICICI BANK CANADA

(the “**Assignee**”)

WHEREAS the Assignee agreed to loan to the Assignor the sum of Two Million, Eight Hundred Thousand Dollars (\$2,800,000.00) (the “**Loan**”) pursuant to a Commitment Letter dated July 4, 2023 (the Commitment Letter, as it may be amended, renewed, replaced, extended and/or restated from time to time, the “**Commitment Letter**”);

AND WHEREAS by a charge/mortgage of land of even date herewith, and registered in the appropriate land registry office immediately prior to the registration of this Assignment (such charge/mortgage as it may be amended, renewed, replaced, extended and/or restated from time to time, the “**Charge**”), the Assignor did, among other things, mortgage and charge, in favour of the Assignee, all of the Assignor’s right, title and interest in and to the lands municipally and legally described in Schedule “A” attached hereto (the “**Lands**”) including, without limitation, the buildings and improvements situate on the Lands (collectively, the “**Charged Premises**”), as security for the Assignor’s obligations pursuant to the Loan;

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged by the Assignor, the Assignor hereby agrees as follows:

1. **Recitals**

The Assignor confirms the validity and truth of the recitals set out above.

2. **Assignment**

As security for the obligations of the Assignor pursuant to the Charge and the Loan, the Assignor hereby assigns, transfers and sets over unto the Assignee and its successors and assigns, all of its right, title and interest in and to the following:

- (a) all present and future Gross Receipts, issues, profits and other moneys (including, without limitation, “**accounts**” as defined in the *Personal Property Security Act* (Ontario), as amended, insurance proceeds, arbitration awards and proceeds from guarantees) reserved or payable under the Leases, as defined below (the “**Rents**”); and
- (b) all present and future leases, agreements to lease, licences and other agreements in respect of each and every present and future tenancy, right of use, right of occupation and licence granted by the Assignor in respect of the whole or any portion of the Charged Premises, as amended, renewed, replaced, extended and/or restated from time to time (together, the “**Leases**”), and the full benefit and advantage of the Leases and of the covenants, conditions, provisions, stipulations and agreements contained in the Leases to be observed and performed (including, without limitation, present and future guarantees and indemnities and all security held, from time to time, in respect of tenants’ obligations pursuant to Leases).

The within assignment and grant shall include all of the Assignor’s right to demand, sue for, collect and receive all Rents and otherwise to enforce (either in the name of the Assignor or the Assignee) the Assignor’s rights under a Lease consequent on any default by the Tenant or other parties thereunder, whether such rights arise under the Lease or

statute, at law, in equity or otherwise including, without limitation, the Assignor's right to distrain. The within assignment and grant shall also include all income earned from the Charged Premises.

All of the Rents, Leases, benefits, rights, income, property and assets assigned, transferred and set over by the Assignor pursuant to Section 2 shall herein collectively be called (the "**Assigned Property**").

It is expressly understood and agreed that if any Lease is not assignable to the Assignee (because the same is not assignable without the consent of any other party or parties thereto and such consent has not been obtained as of the date hereof or because the remedies for the enforcement of the Lease would not, as a matter of law, pass to the Assignee as an incidence of the transfers and assignments made pursuant to this Assignment), then the Assignor's interest in such Lease shall be held in trust for the Assignee by the Assignor and the said interest and all benefits derived under such Lease shall be for the account of the Assignee. Subject to the terms of this Assignment and in particular Section 5 hereof, in order that the full value of the interest in every Lease assigned to the Assignee pursuant to this Assignment may be realized for the benefit of the Assignee, the Assignor shall, at the risk and expense and under the direction of the Assignee, in the name of the Assignor, take all such action and do or cause to be done all such things as are desirable in order that the obligations of the Assignor under such Lease may be performed in such manner that the interest in such Lease shall be preserved and shall enure to the benefit of the Assignee in the collection of any monies due and payable and to become due and payable shall be facilitated. Subject to Section 5 hereof, the Assignor shall promptly pay over to the Assignee all monies collected by or paid to the Assignor in respect of the interest in every such Lease, claim or demand.

3. **Security Becoming Enforceable and Remedies**

Upon the occurrence and during the continuance of an Event of Default (as defined in the Charge), and subject to all provisions of the Charge and the Commitment Letter relating thereto including, without limitation, all notice requirements and curative provisions, the security hereunder shall become enforceable. The Assignee's remedies in such event shall include, without limitation, at any time and from time to time, one or more of the following (all of which remedies shall be cumulative, not exclusive and enforceable alternatively, successively or concurrently, without notice to or consent from the Assignor, except as otherwise expressly provided herein or under law):

- (a) all of the remedies available under statute, at law, in equity or otherwise; and
- (b) all of the remedies expressly set out in the Commitment Letter, the Charge and/or in all other security now or hereafter held by the Assignee in respect of the Loan (the "**Additional Security**"), which Additional Security shall include this Assignment.

4. **Present Assignment**

Although it is the intention of the parties that this Assignment shall be a present assignment, effective immediately upon execution, it is expressly understood that, until the occurrence of an Event of Default that is continuing and the Assignee shall have exercised any of the rights and powers hereby conferred upon it, subject to the provisions of this Assignment, the Assignor shall be entitled to deal with the Leases in the ordinary course of its business and to collect the Rents for its own use and benefit. Upon the rectification of all then outstanding Events of Default, the Assignee may resume dealing with the Leases and collecting the Rents as aforesaid, until a further Event of Default shall occur and be continuing.

5. **Enforcement of Assignment**

Subject to the provisions of Section 4 hereof, the Assignor hereby nominates, constitutes and appoints the Assignee to be the true and lawful attorney of the Assignor, for and in the name of the Assignor, but for the use and benefit of the Assignee, to demand, sue for, collect and receive all Rents and to enforce performance and observance of all Lease

obligations, and for the purposes aforesaid, or any of them, the Assignor hereby authorizes the Assignee and its employees and agents, in the Assignee's sole and absolute discretion:

- (a) to enter upon the Charged Premises (either personally or by its receiver or receiver-manager) and to collect, in the name of the Assignor or the Assignee, the Rents accrued but unpaid and in arrears, as well as the Rents thereafter accruing and becoming payable when due; and to this end, the Assignor further agrees that the Assignor shall facilitate in all reasonable ways the Assignee's collection of the Rents and shall, upon request by the Assignee, execute a written notice addressed to all relevant parties directing that all Rents be paid to the Assignee;
- (b) to institute such actions (at law and/or in equity) and take such proceedings (by distress and/or otherwise) as the Assignee shall, from time to time, deem fit and proper, and for the purposes aforesaid, or any of them, to make, sign and execute any and all warrants of distress and other documents and instruments in the name of the Assignor, as the Assignee shall deem fit and proper; the cost of all distraints and other expenses shall be paid in cash by the Assignor or, in the Assignee's sole and absolute discretion, be added to the principal sum secured by the Charge and bear interest at the rate as set out in the Charge; and
- (c) in the name and for the account of the Assignor, to perform and observe any of the Assignor's obligations pursuant to the Leases (without being obligated to do so) and, without limiting the generality of the foregoing, any amount paid by the Assignee in respect thereof as well as any other expense incurred by the Assignee in connection with the Charged Premises shall be payable upon demand and shall bear interest at the same rate as set out in the Charge and this power of attorney shall be irrevocable so long as any funds remain owing to the Assignee pursuant to the Charge.

6. **Accounting by Assignee**

The Assignee shall, after payment of all proper charges and expenses, including reasonable compensation to any managing agent as the Assignee shall select and employ, and after the accumulation of a reserve to meet taxes, assessments, water rates, fire and liability insurance all in requisite amounts, credit the net amount of income received by the Assignee from the Charged Premises by virtue of this Assignment against any amounts due and owing to the Assignee by the Assignor pursuant to the Charge, and the application of such net amount of income shall be determined by the Assignee, acting reasonably. The Assignee shall not be accountable for more moneys than it actually receives from the Charged Premises.

7. **Representations and Warranties**

The Assignor hereby represents and warrants to the Assignee that:

- (a) each existing Lease is a valid and subsisting Lease or agreement, constituting the entire and only agreement between the Assignor and the other parties thereto pertaining to the premises demised thereunder and subject-matter thereof;
- (b) except as disclosed in writing to the Assignee prior to the date of this Assignment, the Tenants, or their valid successors or permitted assigns, are occupying the leased premises described in each Lease (to the extent applicable) and paying the full Rents stipulated therein;
- (c) no notice has been received from any Tenant indicating an intention to assign or sublet or indicating an intention to surrender the term or otherwise part with possession of the premises demised to it, other than as previously disclosed, in writing, to the Assignee by the Assignor;
- (d) except as previously disclosed, in writing, to the Assignee by the Assignor, no notice has been received by the Assignor from any Tenant alleging default by the Assignor in the performance of its obligations, as Landlord, pursuant to any Lease, which notice has not been complied with by the Assignor to such tenant's satisfaction;

- (e) copies of all of the Leases have been delivered to the Assignee and such copies are true and complete copies thereof;
- (f) the Assignor has not executed any prior and subsisting assignment or pledge of the Rents, nor any prior and subsisting assignment or pledge of the Assignor's interest in any of the Leases, except to the Assignee herein;
- (g) to the best of the Assignor's knowledge, information and belief, after diligent inquiry, there are no outstanding material disputes pursuant to any of the Leases, except as previously disclosed, in writing, to the Assignee by the Assignor, and the Assignor is not aware of any material default by any of the parties pursuant to the Leases;
- (h) the Assignor has all necessary power and authority to assign the Leases and Rents in the manner provided herein; and
- (i) all rents and other charges due and payable under all existing Leases have been paid, as required pursuant to the terms of the Leases, and except as expressly provided in the Leases and/or previously disclosed to the Assignee, no such Rents or other charges have been prepaid more than one (1) month in advance.

8. **Covenants**

The Assignor hereby covenants and agrees as follows:

- (a) it shall not execute any assignment or pledge of the Rents, nor any assignment or pledge of the Assignor's interest, as Landlord, in any of the Leases, except as expressly permitted pursuant to the Charge;
- (b) it shall cause, subject to all relevant notice and rectification periods, the representations and warranties contained in Subsections 7(a), (e), (f) and (h) hereof to be true and correct throughout the term of the Charge;
- (c) unless the Assignee has issued its prior written consent thereto (which may be withheld in the Assignee's sole, absolute and unfettered discretion), to refrain from collecting rent from any Tenant for more than one (1) month in advance;
- (d) it shall, forthwith following receipt, provide the Assignee with copies of all notices of default issued by either the Assignor or the Tenants pursuant to the Leases;
- (e) it shall cause any Tenant pursuant to a Lease, upon request, to subordinate its interest under such Lease in favour of the Charge and all agreements/security issued in connection therewith and, if requested, to attorn to the Assignee, provided if such Lease does not require the Tenant thereunder to so subordinate and/or attorn, the Assignor shall use reasonable commercial efforts to cause such Tenant to subordinate and attorn;
- (f) it shall not enter into, materially amend, terminate or accept a surrender (except where the Tenant is permitted under the Lease) of any Lease in excess of 1,000 square feet of net leasable area (as "**Material Lease**") without Assignee consent (not to be unreasonably withheld), provided that such consent shall not be required (but notice shall be given to the Assignee) for (i) any extension or renewal of a Material Lease on terms that are no less favourable to the Assignor, or (ii) any amendment that does not materially increase the Assignor's obligations or materially reduce the Assignor's benefits; and
- (g) unless the Assignee has issued its prior written consent thereto, to refrain from entering into or materially amending any Lease:
 - (i) while an Event of Default has occurred and is continuing; and/or
 - (ii) with a Tenant that is an affiliate, associate or subsidiary of the Assignor (as defined in the *Canada Business Corporations Act*).

The Assignor covenants to deliver to the Assignee, within 45 days following reasonable request by the Assignee, copies of all proposed Leases, Lease amendments and termination/surrender/ assignment agreements, together with a rent roll (with the name of the Tenants, the area rented to each Tenant, the term of the Lease and the Rent payable by Tenants (basic rent and additional rent) and details of all defaults which continue for more than 10 days).

9. **Liability of Assignee and Indemnity**

- (a) Nothing herein contained, nor the acceptance hereof by the Assignee, shall cause the Assignee to be responsible for the collection of Rents or other moneys payable pursuant to the Leases, nor for the performance of the Landlord's or other parties' obligations thereunder, nor for the enforcement of the Landlord's or other parties' rights thereunder;
- (b) an entry by the Assignee upon the Charged Premises pursuant to the terms of this Assignment shall not cause the Assignee to be constituted a "mortgagee in possession", except as the Assignee shall expressly declare or as otherwise provided under law; and
- (c) the Assignor hereby agrees to indemnify and save harmless the Assignee from and against all demands, claims, actions, suits, judgments, penalties, losses, damages, costs, expenses, obligations and liabilities, howsoever arising, in connection with the subject-matter of this Assignment, save and except as otherwise expressly set out herein and save and except as caused by the gross negligence or wilful misconduct of the Assignee; this indemnity shall survive the reassignment of this Assignment, satisfaction and discharge of the Charge and the Additional Security and the full payment and discharge of the Loan.

10. **Further Assurances**

The Assignor covenants to do all further acts, execute all further documentation and provide all further assurances as shall be requested by the Assignee, acting reasonably, to carry out the purpose and intent of this Assignment, without receiving additional consideration therefor.

11. **No Merger**

The Assignee's rights hereunder shall in no way merge with or be affected by any proceeding that the Assignee may initiate pursuant to the Charge and/or the Additional Security. The rights, remedies and security given to the Assignee hereunder are cumulative and not in substitution for any rights, remedies or security to which the Assignee may be entitled, either under the Charge or under the Additional Security or at law. The Assignee shall not be required to take any proceedings pursuant to the Charge or pursuant to the Additional Security before initiating proceedings pursuant to this Assignment. Conversely, no proceedings hereunder shall affect the rights of the Assignee pursuant to the Charge and/or the Additional Security, and the Assignee shall not be required to take any proceedings pursuant to this Assignment before initiating proceedings pursuant to the Charge and/or the Additional Security.

12. **Release**

Upon payment of all moneys secured by the Charge and upon registration of discharge/cessation of the Charge, this Assignment shall be and be deemed to be automatically released, reassigned and discharged, and the Assignee shall provide to the Assignor, forthwith upon request and at the cost of the Assignor, a reassignment of this Assignment, in registrable form.

13. **Definitions**

- (a) Unless otherwise defined herein or the context otherwise requires, all capitalized terms used herein which are defined in the Charge shall have the meaning ascribed thereto in the Charge (and such capitalized terms, to the extent applicable, shall be deemed to be incorporated by reference herein);

- (b) the term “**Business Day**” means any day other than a Saturday, Sunday, a statutory holiday observed in the Province of Ontario or a day on which banks are closed for business in the City of Toronto;
- (c) the term “**Gross Receipts**” means the aggregate of all revenues from or in respect of the Charged Premises from all sources including, without limitation, basic Rents, additional Rents, percentage Rents, insurance indemnities applicable to Rents, recoveries for taxes, utilities and operating costs, parking revenues, insurance and expropriation proceeds, all Lease terminating payments and the proceeds from the sale, leasing, encumbering and/or other disposition of the Charged Premises;
- (d) the term “**Landlord**” means the Assignor and its successors and assigns, in its/their capacity as landlord pursuant to the Leases; and
- (e) the term “**Tenants**” or “**Tenant**” means and includes: (i) the person, firm or corporation which is a tenant or lessee pursuant to a Lease; and (ii) any person, firm or corporation which has guaranteed (whether as a primary debtor, surety or otherwise) the performance and observance of a Tenant’s covenants and other obligations pursuant to a Lease.

14. **Section Headings**

The division of this Assignment into Sections, Subsections, Paragraphs and Subparagraphs and the inclusion of headings in this Assignment are for convenience of reference only and shall not affect the construction or interpretation of this Assignment.

15. **Successors and Assigns**

The Assignor may only assign its rights and obligations hereunder in conjunction with a permitted assignment pursuant to the Charge. This Assignment shall be binding upon the successors and permitted assigns of the Assignor and shall enure to the benefit of the successors and assigns of the Assignee.

16. **Notice**

All notices (each being a “**Notice**”) required or permitted to be given by the Assignee or the Assignor under this Assignment shall be in writing and shall be deemed given (a) upon personal delivery, (b) on the first Business Day after receipted delivery to a courier service which guarantees next - Business Day delivery, or (c) on the third Business Day after mailing, by registered mail, postage prepaid (unless there is a general interruption in Canadian postal service, in which case all Notices shall be personally delivered or couriered), in any case to the appropriate party at its address set forth below:

To the Assignor, addressed as follows:

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel
E-Mail: hojokitchener@yahoo.com

and a copy (which shall not in itself constitute notice to the Assignor) to:

Virk Law
88 Edna Street
Kitchener, Ontario N2H 2E5

Attention: Jaspal Virk
E-Mail: jaspal@virklawoffice.com

To the Assignee, addressed as follows:

ICICI Bank Canada

Don Valley Business Park
150 Ferrand Drive, Suite 1200
Toronto, Ontario M3C 3E5

Attention: Mr. Lester Fernandes, Head of Corporate and Commercial Banking
E-Mail: lester.fernandes@icicibank.com

and a copy (which shall not in itself constitute notice to the Assignee) to:

Blaney McMurtry LLP
2 Queen Street East, Suite 1500
Toronto, Ontario M5C 3G5

Attention: Jeffrey Warren
E-Mail: jwarren@blaney.com

Each party may, from time to time, change its address for Notices by giving Notice thereof, to the other parties in accordance with this Section.

17. **Governing Law**

This Assignment shall be governed by and construed in accordance with the laws in effect within the Province of Ontario and, by execution and delivery of this Assignment, the Assignor accepts for itself, this Assignment and its property, generally, and unconditionally, the non-exclusive jurisdiction of the courts having jurisdiction in such province. The Assignor hereby waives, and agrees not to assert, by way of motion, as a defense or otherwise, in any action or proceeding, any claim that it is not personally subject to the jurisdiction of the said courts of the Province of Ontario located in the City of Toronto, that the action or proceeding is brought in an inconvenient forum, that the venue of the action or proceeding is improper or that this Assignment or the subject-matter hereof may not be enforced in such courts. Nothing herein shall limit the right of any party to serve process in any manner permitted by law or to commence legal proceedings or otherwise proceed against any other party in any other jurisdiction.

18. **Severability**

If any obligation contained in this Assignment or the application thereof to any Person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Assignment and the application of such obligation to Persons or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each obligation contained in this Assignment shall be separately valid and enforceable to the fullest extent permitted by law.

19. **Direction to Tenants**

This Assignment shall constitute an irrevocable direction and authorization of the Assignor to the Tenants to pay such amounts to the Assignee or as the Assignee shall otherwise direct, in writing, without proof in writing to the contrary. Without limiting the generality of the foregoing, the Tenants are hereby irrevocably authorized and directed to rely upon and comply with, and to be fully protected in so doing, any Notice from the Assignee for the payment to the Assignee of any Rents or for the performance of any other obligation of the Tenants under the Leases and the Tenants shall not be required to inquire as to whether this Assignment and/or the Charge shall have become enforceable.

20. **No Waiver**

No delay or failure by the Assignee in the exercise of any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude the other or further exercise thereof or the exercise of any other right by the Assignee.

21. **Interpretation**

In this Assignment, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

22. **Inconsistency**

In the event of inconsistency between the provisions of the Charge and the provisions of this Assignment, the provisions of the Charge shall prevail. In the event of inconsistency between the provisions of the Commitment Letter and the provisions of this Assignment, the Bank shall determine which shall prevail.

23. **Incorporation by Reference**

All provisions of the Charge concerning the Leases shall be deemed to be incorporated in this Assignment, with full force and effect.

24. **Joint and Several**

In the event that the term “**Assignor**” includes more than one Person, then they shall be jointly and severally liable to the Assignee for all of the Assignor’s obligations hereunder.

25. **Consent**

Except as otherwise expressly provided hereunder, all consents of the Assignee contemplated hereunder may be withheld in the Assignee’s sole, absolute and unfettered discretion.


26. **Execution and Delivery**

The Assignor agrees that a copy of this Assignment that is executed and delivered by facsimile or electronic transmission shall be binding upon the Assignor, and may be relied upon by the Assignee, as if it was an originally executed document.

[The remainder of the page is intentionally left blank – Signature page follows]

The Assignor has executed this Assignment as of the date first set out above.

2338486 ONTARIO LIMITED

Per: 
Name: Kamal Patel
Title: President
I have authority to bind the corporation.

SCHEDULE “A”

DESCRIPTION OF LANDS

Municipal Address: 392 and 398 Erb Street West, Waterloo, Ontario

FIRSTLY:

PIN 22393-0128(LT):

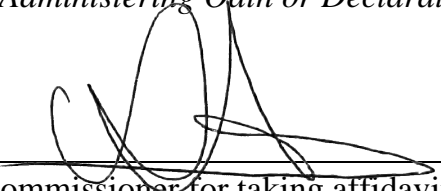
PT LT 18 PL 696 CITY OF WATERLOO AS IN 305968; WATERLOO

SECONDLY:

PIN 22393-0129(LT):

PT LT 18 PL 696 CITY OF WATERLOO AS IN 435372, EXCEPT PT 1, 58R6092;
WATERLOO

This is Exhibit “K” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(4775)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED

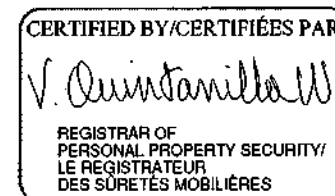
FILE CURRENCY : 31MAR 2025

ENQUIRY NUMBER 20250401094039.50 CONTAINS 8 PAGE(S), 2 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

ONCORP - THORNTON GROUT FINNIGAN LLP - CORRINA MACDONALD
3200-100 WELLINGTON STREET WEST
TORONTO ON M5K 1K7

CONTINUED... 2



RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(4776)

TYPE OF SEARCH BUSINESS DEBTOR
SEARCH CONDUCTED ON 2338486 ONTARIO LIMITED
FILE CURRENCY 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
512993025

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	3		20250128 1222 1590 5580	P PPSA	3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR
NAME

BUSINESS NAME 2338486 ONTARIO LIMITED

ONTARIO CORPORATION NO. 2338486
ON N2A 3W3

ADDRESS 29 IDLE RIDGE COURT KITCHENER

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

CORFINANCIAL CORP.

ADDRESS 2001 SHEPPARD AVE E, #504 TORONTO ON M2J 0A1

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
	X	X	X	X	X	X	500000		X

YEAR MAKE MODEL V.I.N.

MOTOR
VEHICLE

GENERAL

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY,
ASSETS AND UNDERTAKING INCLUDING, WITHOUT LIMITATION, ALL INVENTORY,
GOODS, CHATTELS, EQUIPMENT, RENTS, INCOME, DEPOSITS, ACCOUNTS, MONEY,

COLLATERAL
DESCRIPTION

REGISTERING
AGENT

VALLI PROFESSIONAL CORPORATION (DHARSAN SIRISKANTHARAJAN)

ADDRESS 80 CORPORATE DRIVE, SUITE 310 SCARBOROUGH ON M1H 3G5

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(c) 11/05/2022

Ontario

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(4777)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED
FILE CURRENCY : 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
512993025

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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	3		20250128 1222 1590 5580		

02

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07

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09

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14

15

16

17

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER

MOTOR VEHICLE

AMOUNT

DATE OF

NO-FIXED

GOODS

INVENTORY

EQUIPMENT

ACCOUNTS OTHER

INCLUDED

MATURITY OR

MATURITY DATE

YEAR MAKE

MODEL

VIN

MOTOR
VEHICLE

GENERAL

COLLATERAL
DESCRIPTION

BOOK DEBTS, CHATTEL PAPER, INSTRUMENTS, DOCUMENTS OF TITLE,
SECURITIES, INTANGIBLES AND BOOKS AND RECORDS, AND ALL ACCESSIONS AND
ACCRETIONS THERETO, ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(01/11/05/2022)

Ontario



RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(4778)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED
FILE CURRENCY : 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
512993025

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	3		20250128 1222 1590 5580		

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER	MOTOR VEHICLE	AMOUNT	DATE OF	NO. FIXED
GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	MATURITY OR	MATURITY DATE

YEAR MAKE MODEL V/VIN

MOTOR
VEHICLE

GENERAL ALL PROCEEDS THEREOF.

COLLATERAL
DESCRIPTION

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(en) 14 05/2022

Ontario

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(4779)

TYPE OF SEARCH BUSINESS DEBTOR
SEARCH CONDUCTED ON 2338486 ONTARIO LIMITED
FILE CURRENCY 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794824758

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	3		20230629 1645 1590 9954	P PP5A	3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME 2338486 ONTARIO LIMITED

ONTARIO CORPORATION NO.
ON N2A 3W3

ADDRESS 29 IDLE RIDGE COURT KITCHENER

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ICICI BANK CANADA

ADDRESS 150 FERRAND DRIVE, SUITE 1200 TORONTO ON M3C 3E5

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
	X	X	X	X	X	X			

YEAR MAKE MODEL VIN

MOTOR VEHICLE

GENERAL

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY, ASSETS AND UNDERTAKING INCLUDING, WITHOUT LIMITATION, ALL INVENTORY, GOODS, CHATTELS, EQUIPMENT, RENTS, INCOME, DEPOSITS, ACCOUNTS, MONEY,

COLLATERAL DESCRIPTION

REGISTERING AGENT

BLANEY MCMURTRY LLP (J.M. WARREN)

ADDRESS 1500-2 QUEEN STREET EAST, MARITIME LIFE TORONTO ON M5C 3G5

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(oj11iv 05/2022)

Ontario

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(4780)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED
FILE CURRENCY : 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794824758

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01

CAPTION	PAGE	TOTAL	MOTOR VEHICLE	REGISTRATION	REGISTERED	REGISTRATION
FILING	NO. OF	PAGES	SCHEDULE	NUMBER	UNDER	PERIOD
	002	3		20230629 1645 1590 9954		

02

03

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13

14

15

16

17

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH

FIRST GIVEN NAME

INITIAL

SURNAME

DEBTOR
NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER

MOTOR VEHICLE

AMOUNT

DATE OF

NO. FIXED

GOODS

INVENTORY EQUIPMENT

ACCOUNTS OTHER

INCLUDED

MATURITY OR

MATURITY DATE

YEAR MAKE

MODEL

VARIANT

MOTOR
VEHICLE

GENERAL

COLLATERAL
DESCRIPTION

BOOK DEBTS, CHATTEL PAPER, INSTRUMENTS, DOCUMENTS OF TITLE,
SECURITIES, INTANGIBLES AND BOOKS AND RECORDS, AND ALL ACCESSIONS AND
ACCRETIONS THERETO, ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(01/14 05/2022)

Ontario 

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(4781)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED
FILE CURRENCY : 31MAR 2025

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794824758

01 CAUTION FILING PAGE NO. OF PAGES TOTAL MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
003 3 20230629 1645 1590 9954

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL VIN
12 VEHICLE

13 GENERAL ALL PROCEEDS THEREOF.
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT ADDRESS
17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

8

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 091
RUN DATE : 2025/04/01
ID : 20250401094039.50

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

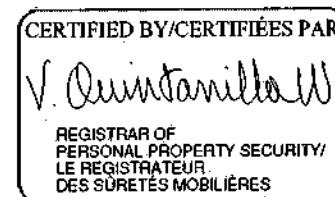
REPORT : PSSR060
PAGE : 8
(4782)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2338486 ONTARIO LIMITED
FILE CURRENCY : 31MAR 2025

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

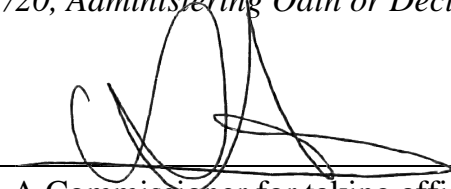
FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
512993025	20250128 1222 1590 5580			
794024750	20230629 1645 1590 9954			

2 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(crlj6 05/2022)

This is Exhibit "L" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

November 5, 2024

PERSONAL & CONFIDENTIAL

VIA EMAIL

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel, President

Dear Mr. Patel:

Re: Default of 2338486 Ontario Limited (the "Borrower")

We refer to the term loan made available to the Borrower by the ICICI Bank Canada (the "**Bank**") pursuant to the Commitment Letter dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024 (together, the "**Commitment Letter**"). Pursuant to the Commitment Letter, the Bank has made available to the Borrower a term loan in the maximum principal amount of \$2,800,000.00 (the "**Loan**").

As of today's date, the Borrower has failed to pay the September and October principal and interest instalments in the aggregate amount of \$41,640.20. Accordingly, pursuant to sections 24(f) and 24(h) of the Charge dated July 3, 2023, registered as Instrument Number WR1517871 (the "**Charge**"), the Borrower is in default of its obligations under the Commitment Letter and the Charge (collectively, the "**Default**"). [NTD to Bank: Are there are any other covenants or reporting requirements that the Borrower has defaulted on?]

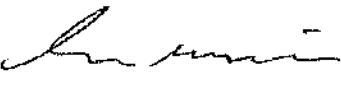
In light of the Default, section 22 of the Charge, permits the Bank to declare all amounts secured by the Charge, including principal, accrued and accruing all interest, plus costs, immediately due and payable by the Borrower. Further, section 5.02 of the General Security Agreement (the "**GSA**") permits the Bank to, among other things: (1) appoint a Receiver over the Collateral (as defined in the GSA) (2) take possession of and dispose of all or any part of the Collateral, and/or (3) to commence proceedings against the Borrower in the exercise of any of the rights, powers and remedies as set out in section 5.02 of the GSA.

For greater certainty, The Bank has not waived the Default. No delay by the Bank in taking any actions under the Commitment Letter including, without limitation, the enforcement upon the Bank's security, shall constitute a waiver by the Bank of the Default. The Bank expressly reserves all of its rights and remedies under the Commitment Letter and the GSA.

The Bank requests that you immediately: (i) remedy the Default or (ii) provide the Bank with a detailed plan outlining the actions and steps that the Company will take to remedy the Default as soon as possible. Failing to do so will give the Bank no choice but to take the measures it deems necessary or useful to protect its rights.

Yours truly,

ICICI BANK CANADA

Per: 

Name: Lionel Meunier

Title: Assistant Vice President

Per: 

Name:

Lester Fernandes
Head - Corporate &
Commercial Banking
ICICI Bank Canada

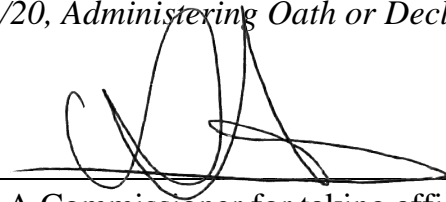
Title:

Cc Guarantor

Per: _____

Name: Kamal Patel

This is Exhibit "M" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

Personal & Confidential

November 25, 2024

Via Electronic Mail

2338486 Ontario Limited.
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Mr. Kamal Patel

Dear Sir:

Re: Indebtedness of 2338486 Ontario Ltd. (the "Borrower") to the ICICI Bank Canada (the "Bank")

WHEREAS:

- A. Pursuant to a commitment letter dated June 29, 2023, as amended pursuant to the Amending Letter dated August 30, 2024 (together, the "**Commitment Letter**"), the Bank made available to the Borrower a mortgage loan in the maximum principal amount of \$2,800,000.00 (the "**Mortgage Loan**") to finance the real property municipally known as 392 and 398 Erb Street West, Waterloo, Ontario (the "**Erb Properties**").
- B. As security for all of the present and future indebtedness and obligations of the Borrower to the Bank in respect of the Commitment Letter, the Borrower has granted to the Bank security upon all of its real and personal property, assets and undertaking (collectively, the "**Borrower Security**"). The Borrower Security includes, among other things:
 - 1. a General Security Agreement dated June 29, 2023 (the "**GSA**"); and
 - 2. a first-ranking mortgage in the amount of \$2,800,000 in respect of the Erb Properties (the "**Mortgage**").
- C. Kamal Patel (the "**Guarantor**") has guaranteed the indebtedness and obligations of the Borrower to the Bank pursuant to a written unlimited guarantee dated June 29, 2023 (the "**Guarantee**").
- D. The Borrower is in default of its obligations under the Commitment Letter and Mortgage as a result of the following (collectively, the "**Defaults**"):
 - 1. the failure by the Borrower to make its September 1 & October 1 2024 blended payments on a timely basis in the amount of \$41,640.20 (funds not yet cleared) in addition to November 1, 2024 blended principal and interest payment of \$13,865.68 as of today's date and

2. the failure of the Borrower to provide the annual financial statements for the period ending April 30, 2024, on or before August 28, 2024.
- E. By letter dated November 13, 2024 (the “**Default Letter**”), the Bank (i) provided written notice to the Borrower that certain of the Defaults occurred and are continuing; and (ii) requested that the Defaults be immediately cured. As of today’s date, the Defaults have not been cured.
- F. Notwithstanding the Defaults, the Borrower and the Guarantor (collectively, the “**Credit Parties**”) have requested that the Bank forbear from enforcing its rights and remedies against the Borrower and the Guarantor to provide the Borrower and the Guarantor the opportunity to formulate and execute a plan for the full, permanent and indefeasible repayment of the Borrower’s indebtedness and obligations to the Bank (the “**Repayment Plan**”).
- G. The Bank has not waived the Defaults or any of its rights and remedies pursuant to the Commitment Letter or the Borrower Security but, subject to the terms and conditions of this Agreement, the Bank will forbear from enforcing its rights and remedies against the Credit Parties with respect to the Defaults until the earlier of a Forbearance Terminating Event, or the Forbearance Deadline.

NOW THEREFORE, in consideration of the Bank’s forbearance as described herein, including the accommodations described herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged by the Credit Parties, the Credit Parties hereby agree with the Bank as follows:

Acknowledgments

1. The Credit Parties acknowledge and/or agree that:
 - (a) unless otherwise specified, all capitalized terms contained herein have the same meaning as in the Commitment Letter and all monetary amounts are expressed in Canadian dollars;
 - (b) as of November 22, 2024, the Borrower is indebted to the Bank under the Mortgage Loan in the amount of \$2,799,376.59 together with interest and costs (including, without limitation, legal fees and disbursements), and that the Borrower has no defences, counterclaims or rights of set-off or reduction in respect of its Mortgage Loan to the Bank;
 - (c) subject to only the provisions of this Agreement, the Bank is entitled, at such time and in such case, without limitation or restriction of any kind (other than under any applicable law) and as it may determine in its sole discretion, to take and exercise all rights, remedies, actions, proceedings and claims available to the Bank as secured creditor under or in respect of the Commitment Letter, the Borrower Security, the Guarantee or otherwise under applicable law, including without limitation, the appointment of a receiver, receiver and manager, interim receiver,

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monitor, liquidator, custodian, any similar officer or trustee in bankruptcy under the *Bankruptcy and Insolvency Act* (the "BIA");

- (d) nothing in this Agreement constitutes a waiver by or on behalf of the Bank of the obligations of the Credit Parties to pay amounts under the Commitment Letter and the Guarantee to the Bank when due;
- (e) all financial and other information provided by or on behalf of the Borrower to the Bank (or its advisors) with respect to the Borrower, the Commitment Letter or the Borrower Security, is true, accurate and complete in all material respects as of the date of its preparation, and any projections provided to the Bank are based upon assumptions believed to be reasonable as of the date of their preparation and there has been no material change in any such assumptions (or in their reasonableness) or in actual results in operations to date which has not been disclosed in writing to the Bank or its advisors;
- (f) this Agreement has been duly executed and delivered by a duly authorized officer on behalf of the Credit Parties, and constitutes a legal, valid and binding obligation of the Credit Parties enforceable in accordance with its terms;
- (g) this Agreement has been fairly and freely negotiated between sophisticated commercial parties having received the benefit of legal advice of experienced legal counsel, and the Credit Parties are entering into this Agreement voluntarily and without duress, bad faith, unreasonable or oppressive conduct, undue influence or other unfair advantage of any kind by or on behalf of the Bank or any other person;
- (h) if the Bank terminates this Agreement due to a Forbearance Terminating Event, the Credit Parties have been provided with sufficient time and opportunity to prepare a Repayment Plan, the Credit Parties are not entitled to any additional time, and the Bank may immediately exercise any and all rights and remedies under the Commitment Letter or the Borrower Security;
- (i) the Borrower Security is valid, binding and enforceable in accordance with its terms and that the Credit Parties do not have any defences, counterclaims or rights of set-off or reduction to any claims which might be brought by the Bank thereunder;
- (j) the Guarantee is valid, binding and enforceable in accordance with its terms and that the Guarantor has no defences, counterclaims or rights of set-off or reduction to any claims that might be brought by the Bank thereunder; and
- (k) all terms and conditions of the Commitment Letter and the Borrower Security shall continue in full force and effect save and except as amended by this Agreement.

Tolling of Limitation Periods

2. Commencing on the business day after the satisfaction of the Conditions Precedent (as defined below) and continuing until the date the Mortgage Loan has been permanently and indefeasibly repaid (the "Tolling Termination Date"), the Bank and the Credit Parties

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agree to toll and suspend the running of the applicable statutes of limitation, laches or any other doctrines related to the passage of time in relation to the Mortgage Loan, the Guarantee and the Borrower Security, and any entitlements arising therefrom or any other related matters and any contractual time limitation on the commencement of proceedings, any claims or defenses based on the application of any statute of limitations, contractual limitations, or any time-related doctrine including waiver, estoppel or laches is hereby suspended (the "**Tolling Agreement**"). Each of the parties hereto confirms that the Tolling Agreement is intended to be an agreement to suspend or extend the basic limitation period provided by section 4 of the *Limitations Act, 2002* (Ontario) (the "**Limitations Act**") as well as the ultimate limitations period provided by section 15 of the Limitations Act in accordance with the provisions of section 22 of the Limitations Act and is intended to be a "business agreement" in accordance with section 22 of the Limitations Act.

3. The time provided for under any statutes of limitations, laches, or any other doctrines related to the passage of time in relation to the Mortgage Loan, the Guarantee, or the Borrower Security and any entitlements arising therefrom or any other related matters, will recommence running as of the Tolling Termination Date, and for greater certainty the time during which the limitation period is suspended pursuant to the Tolling Agreement shall not be included in the computation of any limitation period.

Release

4. Each of the Credit Parties, on its own behalf and on behalf of its officers, directors, employees, partners, agents, representatives, administrators, successors, and assigns, hereby releases, remises, acquits and forever discharges the Bank and each of its respective officers, directors, employees, partners, agents, representatives, administrators, successors and assigns, subsidiary corporations, parent corporations, and related corporate divisions and successors (all such parties collectively, the "**Released Parties**") of and from any and all claims, actions and causes of action, demands, debts, liabilities, obligations, damages and expenses of any and every nature and kind, known or unknown, direct or indirect, at law or in equity, existing as of the date of execution of this Agreement, that are in any way directly or indirectly related to, arising out of or in any way connected to any of the Commitment Letter, the Borrower Security or any other agreements connected to the Mortgage Loan (including, without limitation, any actions taken by any of the Released Parties in dealing with the Borrower in its capacity as the Borrower under the Commitment Letter or the Guarantor in its capacity as guarantor of the Borrower's obligations under the Commitment Letter), the Mortgage Loan, the Guarantee or with the administration of the Account (collectively, the "**Released Matters**"). Each of the Credit Parties acknowledges and agrees that the foregoing release is intended to be in full and final satisfaction of all or any alleged injuries or damages arising in connection with the Released Matters. Each of the Credit Parties represents and warrants to the Released Parties that it has not transferred, assigned or otherwise conveyed any of its right, title or interest in any Released Matter to any other person and that the foregoing constitutes a full and complete release of all Released Matters. The foregoing release shall survive the termination of this Agreement and any other agreements connected to the Mortgage Loan and the permanent and indefeasible payment of the Borrower's indebtedness and obligations to the Bank.

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Forbearance Fee

5. In consideration of the accommodations granted by the Bank to the Credit Parties as described herein, the Borrower agrees to pay the Bank a fee in the amount of \$50,000 (the **"Forbearance Fee"**). The Forbearance Fee shall be earned upon execution of this Agreement and paid in five monthly instalments of \$10,000, payable on the first day of each month with the principal and interest payments under the Commitment Letter.

Conditions Precedent

- (a) This Agreement is subject to approval by the Bank's credit committee and the Bank receiving the following in form satisfactory to the Bank on or before **5:00 p.m. on November 28, 2024** a duly authorized, executed and delivered original of this Agreement executed by each of the Credit Parties;
- (b) payment of the Bank's reasonable legal fees incurred in connection with this Agreement, including legal fees incurred in connection with the additional security, described below;
- (c) a duly authorized, executed and delivered original assignment of proceeds of insurance under the Borrower's insurance policies;
- (d) a duly authorized, executed and delivered original assignment of all material contracts and documents relating to the Erb Properties;
- (e) a duly authorized, executed and delivered original letter of undertaking from the Borrower agreeing to provide the Lender with assignment of any or all of its receivables in an event of default under the Security
- (f) a duly authorized, executed and delivered copy of the Lender's title insurance policy; and
- (g) a copy of the correspondence and any other relevant documents pertaining to the City of Waterloo's request to subordinate the Bank's position in favor of the City.

(collectively, the **"Conditions Precedent"**).

The Conditions Precedent are for the sole benefit of the Bank and may be waived only by the Bank in writing. If the Conditions Precedent are not complied with to the satisfaction of the Bank by the date and time provided for above, and the Bank will not waive satisfaction thereof, then the accommodations offered by the Bank hereunder shall be terminated.

6. Upon satisfaction of the Conditions Precedent and confirmation that the Bank's credit committee has approved this Agreement, unless a Forbearance Terminating Event occurs under this Agreement, the Bank shall take no further enforcement steps against the Credit Parties prior to April 1, 2025 (the **"Forbearance Deadline"**). The period commencing on the date the Conditions Precedent are satisfied and ending on the earlier to occur of a

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Forbearance Terminating Event and the Forbearance Deadline is referred to herein as the **"Forbearance Period"**.

Forbearance Milestones

7. The Credit Parties shall comply with the following milestones (the **"Forbearance Milestones"**):
 - (a) by no later than December 2, 2024, the Borrower shall pay to the Bank the outstanding principal and interest amounts owing for the months of September (funds not yet cleared), October (funds not yet cleared), November and December 2024;
 - (b) by no later than December 9, 2024, the Borrower shall submit to the Bank for its review and comment a comprehensive Repayment Plan that provides sufficient details regarding the Borrower's plan to fully repay the outstanding indebtedness; and
 - (c) by no later than the Forbearance Deadline, the Borrower shall permanently and indefeasibly repay the Borrower's indebtedness and obligations under the Commitment Letter.

Reporting Requirements

8. The Credit Parties shall strictly adhere to all reporting requirements as set out in the Commitment Letter, except as amended herein.
9. The Credit Parties hereby agree to provide the Bank or its agents with any information regarding the Mortgage Loan, the Repayment Plan, the financial position of any of the Credit Parties or the security position of the Bank which the Bank may request from time to time. Without limiting the foregoing, the Credit Parties shall provide to the Bank a written update on the status of the Repayment Plan on the 30th day of each month or more frequently as required by the Bank.
10. The Borrower shall immediately notify the Bank in writing of any material adverse change after the date hereof in the business or financial condition of any of the Credit Parties, or the occurrence of any default or event of default, or of any event which with notice or lapse of time or both would constitute a default or event of default under the Commitment Letter.
11. The Credit Parties shall immediately notify the Bank if any lien is registered or given on the Property.

ADDITIONAL COVENANTS

12. Except as amended herein, all terms and conditions of the Commitment Letter, the Guarantee and the Borrower Security shall continue in full force and effect, unamended. If there is any conflict between this Agreement, the Commitment Letter, the Guarantee or the Borrower Security, this Agreement shall prevail.

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13. The Credit Parties agree to pay all actual present and future legal fees and disbursements, on a full indemnity basis, incurred by the Bank in respect of or in any way related to any of the Credit Parties, the Loan, the Borrower Security, or the registration of the Charge including, without limitation, the Bank's legal fees in connection with the preparation and enforcement of this Agreement.
14. The Borrower shall not and shall not permit any of its shareholders to repurchase, redeem or retract any securities of the Borrower or repay any shareholder loans or make any other distributions without express prior written consent of the Bank.
15. Each of the Credit Parties covenant and agree to and in favour of the Bank that they will not incur any other indebtedness or grant any further guarantees or security on any of their property, assets or undertaking without the prior written consent of the Bank, which may be unreasonably withheld by the Bank.
16. Without the prior written consent of the Lender, the Borrower shall not commence or take any step towards commencing a bankruptcy, restructuring, receivership, dissolution, liquidation, windup, arrangement, stay of proceedings, assignment for the general benefit of creditors proceeding, or take any other action under the BIA, the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act*, the *Business Corporations Act* (Ontario) or any similar provincial or federal legislation in Canada.
17. The Credit Parties shall pay when due, or otherwise provide confirmation satisfactory to the Bank that payment arrangements satisfactory to the Bank have been entered into by each of the Credit Parties, to pay all claims which rank prior to the indebtedness and security held by the Bank from the Credit Parties (the "**Prior Claims**") which shall include, without limitation, all amounts owing or required to be paid, where a 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 held by the Bank from the Credit Parties or otherwise in priority to any claim by the Bank for the repayment of any amounts owing to it, including without limitation all amounts owing to any federal, provincial, municipal or other government entity or Crown corporation, all statutory, actual or deemed trusts, all withholdings and source deductions, all accrued and unpaid payroll, including vacation pay, rent for any leased premises, and all amounts owing to any person having a lien, encumbrance, trust or charge ranking in priority to the security held by the Bank from the Credit Parties.
18. The Credit Parties shall cause all realty taxes on the Property to be paid when due.
19. Each of the Credit Parties restates and reaffirms its representations, warranties and covenants contained in the Commitment Letter, as amended by this Agreement, effective as of the date of this Agreement.
20. Except as expressly waived in writing by the Bank, no act or failure to act by the Bank nor anything said or done in any discussions, correspondence or other dealings among the Bank and any of the Credit Parties or any of their representatives, shall be construed as a waiver

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of any breach, default or event of default under the Commitment Letter or the Borrower Security or any of the rights or remedies of the Bank.

Appointment of Financial Advisor

21. The Borrower hereby irrevocably consents and agrees that the Bank may immediately appoint a financial advisor as agent of the Bank, to assist the Borrower in complying with the obligations under the Commitment Letter and this Agreement.
22. Upon the appointment of a financial advisor or other agent(s), such appointees will have the authority to collect and cash rent checks on behalf of the Bank. The Credit Parties hereby agree to fully co-operate with such agent(s) in the realization of the security held by the Bank from the Credit Parties.
23. The Borrower also irrevocably consents and to cover all fees and expenses associated with the appointment of the financial advisor or other agent(s), as well as any services they provide, on a monthly basis.
24. The Borrower agrees to provide unfettered access to the Borrower's premises and books and records, upon request by the Bank or the financial advisor.

Forbearance Termination Events

25. None of the Bank's existing rights and remedies, and none of the Defaults, are waived by this Agreement but are specifically reserved and preserved. However, subject to the provisions of this Agreement, the Bank agrees not to take any further steps in enforcement of its rights and remedies against the Credit Parties prior to the Forbearance Deadline unless and until one of the following events has occurred (a "**Forbearance Terminating Event**"):
 - (a) any default or breach by any of the Credit Parties occurs under this Agreement or any further default or breach by any of the Credit Parties of any obligation or covenant occurs under the Commitment Letter or the Borrower Security, including any subsequent or further breach of any of the obligations or covenants that has resulted in any of the Defaults. For greater certainty, the continuation of any of the Defaults shall not constitute a Forbearance Terminating Event unless the Borrower is required to remedy or otherwise take a specific step or action with respect to any Default pursuant to this Agreement and fails to do so;
 - (b) if any of the conditions or covenants set out herein are not satisfied by the dates specified herein and the Bank will not waive satisfaction thereof;
 - (c) any other creditor of any of the Credit Parties exercises or purports to exercise any rights against any of the property, assets or undertaking of any of the Credit Parties, including but not limited to the Property, or if any of the Credit Parties, or any creditor brings any proceeding or takes any other action under the BIA, the *Companies' Creditors Arrangement Act* (Canada), the *Business*

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Corporations Act (Ontario), the *Business Corporations Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) or any similar legislation;

- (d) if any steps are taken by any of the Credit Parties or a third party to wind up or dissolve the Borrower without the prior written consent of the Bank, which may be withheld in the Bank's sole and unreasonable discretion;
- (e) any representation or warranty made by any of the Credit Parties in connection with the execution and delivery of this Agreement or in any of the Borrower Security shall prove to have been incorrect in any material respect at the time such representation or warranty was made;
- (f) any default or failure by any of the Credit Parties to make any payment of wages or other monetary remuneration payable by such party to its employees under the terms of any contract of employment, oral or written, express or implied (the "Payroll") or the failure by any of the Credit Parties to pay to the relevant governmental authority when due any of the Prior Claims exigible in respect of a Payroll;
- (g) any default or failure by any of the Credit Parties to pay any of the Prior Claims when due including, without limitation, realty taxes and similar charges with respect to the Property;
- (h) if any of the reporting information provided by the Credit Parties to the Bank proves to be false, misleading, inaccurate or incorrect in any material respect at the time such representation or financial reporting information was made or delivered;
- (i) there has been, in the opinion of the Bank, a material adverse change in the affairs of any of the Credit Parties or with respect to the security position of the Bank after the date hereof;
- (j) if the Borrower fails to grant the financial advisor full access to its books and records or fails to cooperate with such agent(s) as required under this Agreement;
- (k) if any action which any of the Credit Parties may take only with the prior consent of the Bank is taken by any of the Credit Parties without such consent being previously obtained from the Bank; and
- (l) if the Credit Parties fail to provide the Bank the reporting or other information specified herein or in the Commitment Letter or as required from time to time.

26. Upon the earlier of:

- (a) the Forbearance Deadline; or
- (b) the occurrence of a Forbearance Terminating Event,

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the Bank may immediately, and without the requirement for prior notice, take steps to enforce all of its rights and remedies against the Credit Parties including, without limitation, the commencement of power of sale proceedings with respect to the Property, and enforce any of the security held by the Bank from the Credit Parties. The Credit Parties specifically acknowledge and agree that in the event a Forbearance Terminating Event occurs and the Bank terminates its forbearance hereunder, the Credit Parties irrevocably consent to the appointment of a receiver or the commencement of proceedings under the *Companies' Creditors Arrangement Act*, as determined by the Bank in its sole discretion.

General

27. The Credit Parties hereby irrevocably agree upon request by the Bank, to duly execute or deliver or cause to be executed or delivered to the Bank such further instruments, agreements or similar documents or do or cause to be done such further acts as may be necessary or desirable in the opinion of the Bank, acting reasonably, to carry out the provisions and purposes of this Agreement.
28. The Bank's forbearance from enforcing its rights and remedies against the Credit Parties and the other accommodations described herein may be terminated upon the occurrence of a Forbearance Terminating Event without requiring any further forbearance or delay on the part of the Bank.
29. Except as expressly waived in writing by the Bank, no act, failure to act, delay or omission in the exercise or enforcement by the Bank of its rights and remedies under this Agreement, the Commitment Letter, the Borrower Security, any other document or agreement between any of the Credit Parties and the Bank or under Applicable Law, nor anything said or done in any discussions, correspondence or other dealings among the Bank and any of the Credit Parties or any of their representatives, shall be construed as a waiver of any breach, Default or Event of Default under the Commitment Letter, this Agreement, the Borrower Security, the Guarantee, or any of the rights or remedies of the Bank. No waiver or indulgence by the Bank of any of its rights and remedies hereunder, or under the Commitment Letter, the Borrower Security, any other document or agreement between any of the Credit Parties and the Bank or Applicable Law shall be construed as a waiver of any other or subsequent right or remedy of the Bank. The Bank reserves all rights, claims and remedies that it has or may have against the Credit Parties hereunder or under the Commitment Letter, the Borrower Security, any other document or agreement between any of the Credit Parties and the Bank or under Applicable Law.
30. This Agreement shall not directly or indirectly create any course of conduct or other obligation on the part of the Bank to (i) forbear from enforcing any of its rights and remedies following the occurrence of a Forbearance Termination Event or the expiry of the Forbearance Period, (ii) waive any future violation of any provision of any of the Commitment Letter, the Borrower Security or any other document or agreement between any of the Credit Parties and the Bank or otherwise amend, modify or waive any provision of any of the foregoing or any right, power or remedy of the Bank.

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31. The Bank may apply any amounts outstanding to the credit of any of the Credit Parties and any account or accounts with or in the name of any the Credit Parties as a set-off or in combination of the Credit Parties' indebtedness to the Bank, and the application of any such amounts shall be as the Bank may determine in its sole discretion.
32. The Credit Parties covenant to and in favour of the Bank and agree that, except as permitted herein, they will not grant any further security on any of their property, assets or undertaking without the written consent of the Bank, which may be withheld by the Bank in its sole discretion.
33. The Credit Parties acknowledge and agree that there shall be no change of ownership or control of the Borrower without the Bank's prior written consent, which consent may be withheld in the Bank's sole and unfettered discretion.
34. The Borrower shall not amalgamate with another corporation, purchase or redeem its shares or otherwise reduce its capital until such time as the Borrower's indebtedness to the Bank has been permanently repaid.
35. Time shall be of the essence of this Agreement and this Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
36. This Agreement may be executed in counterparts, which counterparts taken together shall evidence an agreement as of the date first set out above.
37. Each of the Credit Parties represents and warrants in favour of the Bank that it has been provided with the opportunity to retain and consult independent legal counsel, and received the benefit of independent legal advice, or had sufficient opportunity to do so, in connection with its rights and obligations under this Agreement.

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ICICI Bank Canada

By:



Name: L. Mcunier

Title: AVP Risk

I have authority to bind the Bank.

ICICI Bank Canada

By:



Name: Hemang Thernavala

Title: Chief Financial Officer

I have authority to bind the Bank.

Agreed to this _____ day of _____, 2024.

2338486 ONTARIO LIMITED.

By:

Name:

Title:

I/We have authority to bind the
Corporation.

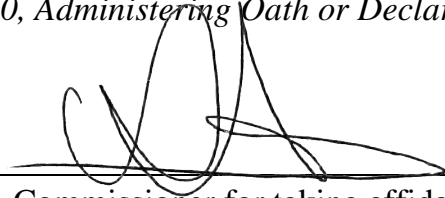
Agreed to this _____ day of _____, 2024.

Kamal Patel

WITNESS

WITHOUT PREJUDICE

This is Exhibit "N" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

January 14, 2025

PERSONAL & CONFIDENTIAL

VIA EMAIL

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel, President

Dear Mr. Patel:

Re: Defaults of 2338486 Ontario Limited (the "Borrower")

We refer to the term loan made available to the Borrower by the ICICI Bank Canada (the "**Bank**") pursuant to the Commitment Letter dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024 (together, the "**Commitment Letter**"). Pursuant to the Commitment Letter, the Bank has made available to the Borrower a term loan in the maximum principal amount of \$2,800,000.00 (the "**Loan**"). We also refer to the forbearance agreement dated November 25, 2024 (the "**Forbearance Agreement**") that, among other things, prohibited the Bank from exercising its rights and remedies against the Credit Parties until April 1, 2025, provided that the Credit Parties remedied their previous defaults and stayed current with its obligations to the Bank.

Unless otherwise specified, capitalized terms used herein have the meanings given in the Forbearance Agreement.

As of today's date, the Borrower is in default of its obligations under the Commitment Letter and the Forbearance Agreement because of the following (collectively, the "**Defaults**"):

1. The Borrower has failed to pay the November, December and January principal and interest instalments in the aggregate amount of \$41,597.04
2. The Borrower has failed to submit a Repayment Plan by December 9, 2024
3. The Borrower has failed to pay the December and January Forbearance Fee instalments in the aggregate amount of \$20,000
4. The Borrower has failed to pay the property tax on the Erb Properties; and
5. The Borrower has failed to pay the property insurance in connection with the Erb Properties.

ICICI Bank Canada

366 Bay Street
Toronto, ON M5H 4B2
Canada

Tel: (416) 360-0909
Fax: (416) 214-5174
Website: www.icicibank.ca

We confirm that the Bank has not waived the Defaults and requires the Borrower to immediately remedy the Defaults. Each of the Defaults constitutes a Forbearance Terminating Event, with the result that the Bank may terminate the Forbearance Agreement and exercise all of its rights and remedies against the Credit Parties pursuant to the Commitment Letter and the Forbearance Agreement including, without limitation, demanding payment of the Loan and taking steps to enforce the Borrower Security.

Except as expressly waived in writing by the Bank, no act or failure to act by the Bank nor anything said or done in any discussions, correspondence or other dealings among the Bank and any of the Credit Parties or any of their respective representatives shall be construed as a waiver of the Defaults or any other breach, default or event of default under the Commitment Letter, the Forbearance Agreement or any of the rights or remedies of the Bank. There is no agreement by the Bank to waive the Defaults or to forbear from enforcing any of its rights and remedies with respect to the Defaults or any other breach, default or event of default under the Commitment Letter or the Forbearance Agreement which has occurred, or which may occur in the future.

The Bank requests that you immediately: (i) remedy the Defaults or (ii) provide the Bank with a detailed plan outlining the actions and steps that the Borrower will take to remedy the Defaults as soon as possible.

Please be advised, legal fees incurred to date are in the amount of \$19,856.13, the amount is payable pursuant to the November 25, 2024 Forbearance Agreement Lettter.

Yours truly,

ICICI BANK CANADA

Per: [Signature]

Name: L. Meunier

Title: AVP

Per: [Signature]

Name:

Title:

Lester Fernandes Head - Corporate & Commercial Banking ICICI Bank Canada

Acknowledged and agreed to this _____ day of _____, 2025.

As Borrower:

As Guarantor:

2338486 Ontario Limited

By:

[Signature]

Name: Kamal Patel

Title: President

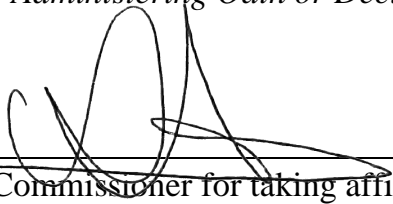
I have authority to bind the corporation

cc: Kamal Patel, Personal Guarantor

Kamal Patel

[Signature]

This is Exhibit "O" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

Properties

PIN22393 - 0636LT

DescriptionPART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO

Address398 ERB STREET WEST
WATERLOO

PIN22393 - 0638LT

DescriptionPART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO

Address392 ERB STREET WEST
WATERLOO

Consideration

Consideration

\$103,640.21

Claimant(s)

NameMASRI O INC.

Address for Service609 Kumpf Drive, Suite 101
Waterloo, On N2V 1K8

I am the lien claimant and the facts stated in the claim for lien are true.

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Statements

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Schedule: See Schedules

Signed By

Curtis Dean Tomlinson

245 Hanlon Creek Boulevard,
Unit 102
Guelph
N1C 0A1

acting for
Applicant(s)

Signed

2025 03 17

Tel519-837-2100

Emailctomlinson@svlaw.ca

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

Submitted By

SMITH VALERIOTE LAW FIRM LLP

245 Hanlon Creek Boulevard, Unit 102
Guelph
N1C 0A1

2025 03 17

Tel519-837-2100

Emailctomlinson@svlaw.ca

Fees/Taxes/Payment

Statutory Registration Fee

\$70.90

Total Paid

\$70.90

File Number

Claimant Client File Number :

100044-0001/PR

CLAIM FOR LIEN

Construction Act, R.S.O. 1990 c. C.30

Name of Lien Claimant:

Masri O Inc.
609 Kumpf Drive, Suite 101
Waterloo, ON N2V 1K8

Project Property Address:

392 Erb St. West
Waterloo, ON N2L 1W6

398 Erb St. West
Waterloo, ON N2L 1W6

Name of Owner:

2338486 Ontario Limited
ATTN: Kamal Patel
1333 Weber Street East
Kitchener, ON N2A 1C2

Name of Person to Whom
Lien Claimant supplied
services or materials:

2338486 Ontario Limited
ATTN: Kamal Patel
1333 Weber Street East
Kitchener, ON N2A 1C2

Time within which services
or materials were supplied:

August 2021 – January 17, 2025

Short Description of
materials that have
been supplied:

Professional Architectural Design and Consultation Services

Contract Value:

\$688,509.00 (inclusive of HST)

Amount claimed as owing
in respect of services or
materials that have been
supplied:

\$103,640.21 (inclusive of HST)

A. The lien claimant claims a lien against the interest of every person identified above as an owner of the premises described in Schedule “A” to this claim for lien.

Dated: March 17, 2025

Signed by:

Per:

Reema Masri

E833BE3F75F74DB...

Name: Reema Masri

Title: Principal Architect / President

I have authority to bind the company.

SCHEDULE A
TO THE CLAIM FOR LIEN OF MASRI O INC.

Description of Premises:

Property 1:

Municipal Address: 392 Erb St. West, Waterloo, ON N2L 1W6

PIN: 22393 – 0638 (LT)

Description: Part Lot 18, Plan 696 Being Parts 4, 5 and 6 on 58R21677, City of Waterloo

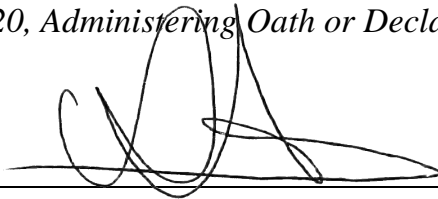
Property 2:

Municipal Address: 398 Erb St. West, Waterloo, ON N2L 1W6

PIN: 22393 – 0636 (LT)

Description: Part Lot 18, PL 696 Being Part 1 on 58R21677, City of Waterloo

This is Exhibit "P" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

MEMO

Date:	February 11, 2025
Subject	2338486 ONTARIO LIMITED Proposed Framework/next steps being considered.
Recipients	<ul style="list-style-type: none">Lionel Meunier – ICICI Bank

Further to our previous email, and pursuant to discussions between CORFinancial Corp and ICICI Bank, CORFinancial is reviewing the following alternative next steps to either purchase ICICI's security or to have a receiver appointed to sell the property.

Borrower: 2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, ON N2A 3W3

Secured

Creditors: ICICI Bank ("ICICI")
366 Bay Street
Toronto, ON M5H 4B2

CORFinancial Corp. ("COR")
2001 Sheppard Ave East, Suite 504
Toronto, ON M2J 4Z8

Unsecured

Creditors: Various, to be confirmed.

Amounts Outstanding:

ICICI Mortgage-principal	2,800,000.00
ICICI Interest arrears	41,597.04
ICICI Forbearance fee	50,000.00
CORFinancial Corp	500,000.00
Property tax - approx.	12,000.00
Consultants (unsecured)-approx.	175,000.00

Property

Description: Property 1
392 Erb Street West, Waterloo, Ontario
PART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO
PIN: 22393-0638 (LT) (LRO#58)

Property 2

398 Erb Street West, Waterloo, Ontario
PART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO
PIN: 22393-0636 (LT) (LRO#58)

Overview/Plan

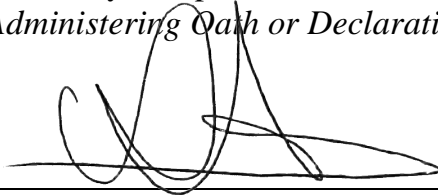
1. The Borrower owns both Property 1 & 2.

2. The Borrower has achieved draft plan approval to develop the property into a multi-residential 73-unit development.
3. Both Properties are currently rented.
4. Gross monthly rent being collected:

392 Erb Street		
Tenant 1	\$	2,311.00
Tenant 2	\$	1,500.00
Tenant 3	\$	2,350.00
Tenant 4	\$	2,900.00
398 Erb Street		
One tenant	\$	1,700.00
	\$	10,761.00
5. ICICI provided the Borrower with a 1st mortgage in the amount of \$2.8 million.
6. COR provided and continues to provide the Borrower with consulting services and loans and has secured these advances with a general security agreement (“**GSA**”).
7. Certain consultants have provided the Borrower with services needed in order to support the application for site plan approval.
8. The Borrower is in default under the ICICI mortgage.
9. The Borrower is also in default of the forbearance agreement with ICICI.
10. The Borrower has not made any payments to COR.
11. The Borrower has not paid the unsecured creditors and is in arrears on realty tax payments.
12. Without third-party financial assistance, the Borrower is unable to meet its financial obligations.
13. COR believes that the appointment of a receiver to manage the assets of the Borrower, including selling the Properties, is the best course of action. This can either be done by ICICI or COR.
14. COR is reviewing the possibility of purchasing ICICI’s security and the making a court application under its security to have a receiver appointed.
15. If COR does not purchase ICICI’s security, we believe that ICICI would move to appoint a receiver forthwith...COR would be prepared to do so if ICICI prefers.
16. The proposed receivership plan:
 - a. The Receiver will take control of the assets of the Borrower

- b. COR will provide the Receiver with a Stalking Horse bid in an amount sufficient to repay the ICICI mortgage and various other financial obligations. The final bid amount will be finalized through consultation between COR and ICICI.
- c. In order to create a fair and transparent process to satisfy the Court process, the Receiver will request proposals from reputable real estate brokerage firms to list the assets of the Borrower for sale. Once a proposal is accepted, the Receiver will engage the successful firm to proceed with the sale.
- d. A formal sales process will be set to deal with the bids received, including the Stalking Horse bid.
- e. It is estimated that the appointment of the Receiver will take approximately 6 weeks from the commencement of the process.

This is Exhibit “Q” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

Properties				
PIN	22393 - 0638	LT	Interest/Estate	Fee Simple
Description	PART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO			
Address	392 ERB STREET WEST WATERLOO			
PIN	22393 - 0636	LT	Interest/Estate	Fee Simple
Description	PART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO			
Address	398 ERB STREET WEST WATERLOO			

Chargor(s)	
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.	
Name	2338486 ONTARIO LIMITED
Address for Service	29 Idle Ridge Court, Kitchener ON N2A 3W3
A person or persons with authority to bind the corporation has/have consented to the registration of this document. This document is not authorized under Power of Attorney by this party.	

Chargee(s)	Capacity	Share
Name	CORFINANCIAL CORP.	
Address for Service	504-2001 Sheppard Ave E, North York, Ontario M2J 4Z8	

Statements
The text added or imported if any, is legible and relates to the parties in this document.

Provisions			
Principal	\$500,000.00	Currency	CDN
Calculation Period			
Balance Due Date			
Interest Rate			
Payments			
Interest Adjustment Date			
Payment Date	On Demand		
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Signed By				
Dharsan Siriskantharajan		80 CORPORATE DR., SUITE 310 Scarborough M1H 3G5	acting for Chargor(s)	Signed 2025 03 05
Tel	416-833-0404			
Fax				
I have the authority to sign and register the document on behalf of the Chargor(s).				

Submitted By		
VALLI PROFESSIONAL CORPORATION	80 CORPORATE DR., SUITE 310 Scarborough M1H 3G5	2025 03 05
Tel	416-833-0404	

Submitted By

Fax

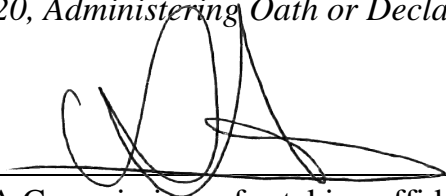
Fees/Taxes/Payment

Statutory Registration Fee	\$70.90
Total Paid	\$70.90

File Number

Chargor Client File Number : 2025-03-00451

This is Exhibit "R" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

Notice of Sale (Mortgage Enforcement) (ON)

NOTICE OF SALE UNDER CHARGE/MORTGAGE OF LAND

TO: ALL THOSE PERSONS LISTED ON SCHEDULE "A" ANNEXED HERETO AND FORMING PART OF THIS NOTICE

TAKE NOTICE that default has been made in payment of the money due under a certain charge/mortgage of land ("Mortgage") dated **March 5, 2025** made between:

2338486 ONTARIO LIMITED

as chargor or mortgagor

—and—

CORFINANCIAL CORP.

as chargee or mortgagee

upon the security of the following properties:

A) PART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO

Property Identification Number: 22393 - 0638 (LT)

The property is municipally known as 392 Erb Street West, Waterloo, ON N2L 1W6

B) PART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO

Property Identification Number: 22393 - 0636 (LT)

The property is municipally known as 398 Erb Street West, Waterloo, ON N2L 1W6.

which was registered in the Land Registry Office for the Titles Division of Waterloo (No. 58) against title to this property on **March 05, 2025**, as Instrument No. **WR1622924**.

And the Mortgagee gives you notice that the amounts now due on the Mortgage for principal, interest, realty taxes (if any) and other costs and expenses are as follows:

Principal Amount	\$335,998.19
Statement Fee	\$350.00
Interest Arrears (March 7, 2025 – March 17, 2025)	\$ 1,104.70
Legal Fees and Disb. – Includes Notice (Incl HST 77255 0612 RT0001)	\$15,881.00
Total Owing	<u>\$353,333.89</u>

(such amount for costs being up to issuance of notice and claim but do not include any costs for other collection and mortgage enforcement, and thereafter such further costs and disbursements will be charged as may be proper).

Notice of Sale (Mortgage Enforcement) (ON)

THERE shall also be added to the amounts expressed above to be due on the Mortgage, interest accruing at **12% per annum** on the amounts now due (excluding legal costs, disbursements and HST unless actually paid by the Mortgagee) together with all additional costs and expenses from the date hereof to the date of payment.

AND unless these sums are paid on or before **35 clear days** the Mortgagee shall sell the property covered by the Mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED March 19, 2025

CORFINANCIAL CORP., Chargee, by its lawyers

Valli Professional Corporation

80 Corporate Drive, Suite 310

Toronto, Ontario M1H 3G5

Per:

A handwritten signature in black ink, appearing to read 'S. Dharsan', written over a horizontal line.

Dharsan Siriskantharajan

DS:

Tel: 416-833-0404

Notice of Sale (Mortgage Enforcement) (ON)

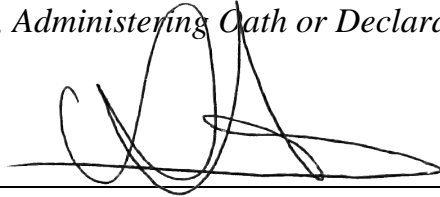
Schedule "A"

TO: 2338486 ONTARIO LIMITED
29 Idle Ridge Court
Kitchener ON N2A 3W3

AND TO: KAMAL PATEL
29 Idle Ridge Court
Kitchener ON N2A 3W3

AND TO: ICICI BANK CANADA
150 Ferrand Drive, Suite 1200
Toronto, Ontario M3C 3E5

This is Exhibit "S" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

VIA EMAIL

April 7, 2025

CORFinancial Corp.
77 Ingram Drive, Suite 201
North York, ON
M6M 2L7

Valli Professional Corporation
80 Corporate Drive, Suite 310
Toronto, ON
M1H 3G5

Attention: Eric Inspektor and Dharsan Siriskantharajan

**Re: Notice of Sale Under Charge / Mortgage of Land from CORFinancial Corp. ("COR")
Against 2338486 Ontario Limited (the "Debtor")**

Dear Sirs,

We are counsel to ICICI Bank Canada (the "**Bank**"). On April 4, 2025, the Bank provided us with a copy of a Notice of Sale dated March 19, 2025 (the "**Notice**") in respect of the real property located at 392 and 398 Erb Street, Waterloo, ON (together, the "**Erb Properties**") to the Bank. Although the Notice is dated March 19, 2025, we have been advised that the Bank did not receive the Notice until April 4, 2025, and was previously unaware of the Notice.

Reference is made to the Commitment Letter between the Bank and the Debtor dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024, the General Security Agreement dated June 29, 2023, and the charge/mortgage related to the Erb Properties in the amount of \$2,800,000 granted by the Debtor in favour of the Bank (collectively, the "**Loan Documents**"). Pursuant to the Loan Documents, the Debtor granted the Bank a first-ranking security interest in the assets of the Debtor, including the Erb Properties.

As at March 1, 2025, the Debtor is indebted to the Bank in the amount of \$2,964,777.84, plus interest accruing at a rate of \$460.09 per diem, the Bank's costs and expenses, including legal fees (collectively, the "**Indebtedness**").

On March 20, 2025, the Bank demanded payment of the Indebtedness from the Debtor and Kamal Patel (the "**Guarantor**") and issued Notices of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act*. For your reference, we have enclosed the demands and NITES.

COR did not consult with the Bank prior to issuing the Notice despite the Indebtedness and priority of the Bank's security interest and charge over the Erb Properties. COR also did not consult with

the Bank regarding the engagement of any listing agent. At this juncture, it is uncertain whether the sale of the Erb Properties will generate sufficient proceeds to repay the Indebtedness in full. In this context, and as the senior-ranking secured creditor of the Debtor, the Bank must have all decision-making rights with respect to the sale of the Erb Properties and any enforcement proceedings. For greater certainty, the Bank does not agree to, and objects to any enforcement process that is overseen by COR or the Debtor.

Although we have not been provided with copies of any of the loan or security documents that allegedly entitle COR to exercise rights in respect of the Erb Properties, we note that the Notice refers to a charge/mortgage granted by the Debtor in favour of COR dated March 5, 2025. The circumstances and timing giving rise to the alleged mortgage are highly questionable and cast doubt regarding the validity and enforceability of COR's alleged rights. The Bank expressly reserves the right to challenge any loan and security documentation in favour of COR. In the interim, please provide us with copies of all loan and security documents that COR relies on in the exercise of its rights, including any engagement or consulting letters between COR and the Debtor. Regardless, the Debtor is prohibited from granting any security to any other person without the consent of the Bank, which the Bank has not provided.

Without prejudice to any and all rights and remedies the Bank may have at law or in equity, the Bank demands that COR immediately cease and desist from taking any steps to list, market, sell, transfer, or otherwise deal with the Erb Properties. Further, you are hereby directed to immediately withdraw the Notice and any related notices or steps taken in furtherance of the marketing and sale of the Erb Properties and to refrain from any future actions interfering with the Bank's interests.

Should COR refuse to comply, the Bank will promptly pursue all legal avenues available to it, including injunctive relief, claims for damages, and any other remedies as the circumstances may require. The Bank expressly reserves all of its rights and remedies, none of which are waived or relinquished.



We request that you immediately confirm in writing that you will comply with the terms of this letter and that you acknowledge the Bank's senior ranking security interest. Failure to provide this confirmation by **April 11, 2025**, will be treated as an unequivocal refusal to comply, compelling the Bank to take immediate legal action.

Yours very truly,

Thornton Grout Finnigan LLP

A handwritten signature in blue ink, appearing to read 'Mitch Grossell', written over a light blue horizontal line.

Mitch Grossell

cc: Lionel Meunier, ICICI Bank Canada
Encl.

March 20, 2025

**VIA COURIER
AND EMAIL [hojokitchener@yahoo.com]**

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Mr. Patel:

Re: Indebtedness of 2338486 Ontario Limited (the “Borrower”) to ICICI Bank Canada (the “Bank”)

We are the lawyers for the Bank with respect to the above-noted matter.

We refer to the term loan made available to the Borrower by the ICICI Bank Canada (the “**Bank**”) pursuant to the Commitment Letter dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024 (together, the “**Commitment Letter**”). Pursuant to the Commitment Letter, the Bank made available to the Borrower a term loan in the maximum principal amount of \$2,800,000.00 (the “**Loan**”). The Borrower’s indebtedness to the Bank in respect of to the Loan is in the amount of CAD\$2,964,777.84 (the “**Indebtedness**”) as set out in **Schedule “A”** hereto. We also refer to the forbearance agreement dated November 25, 2024 (the “**Forbearance Agreement**”) that, among other things, prohibited the Bank from exercising its rights and remedies against the Borrower until April 1, 2025.

As of today’s date, the Borrower remains in default of its obligations under the Commitment Letter and the Forbearance Agreement, as detailed in our letter dated January 14, 2025. In that letter, the Borrower expressly acknowledged both the terms of the Forbearance Agreement and its existing defaults. Accordingly, the Indebtedness under those agreements is immediately due and payable.

On behalf of the Bank, we hereby demand payment from you of the said sum of CAD\$2,964,777.84 in respect of the Indebtedness together with interest thereon and all costs, including all legal and other agent fees and disbursements incurred by the Bank to the date of payment. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum.

We also enclose a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* (Canada) together with a consent thereto. If you consent to the Bank enforcing its rights and remedies without further delay, please date and execute one copy of the consent attached

to the enclosed Notice of Intention to Enforce Security and return same to the undersigned by email forthwith.

In the event that you fail to pay the sum indicated within 10 days from the date of this letter, the Bank shall pursue its remedies against you.

Yours truly,

Thornton Grout Finnigan LLP



Daniel Alievsky

Encls.

cc: Lionel Meunier, *ICICI Bank Canada*

Schedule “A”
Indebtedness of 2338486 Ontario Limited to ICICI Bank Canada
as at March 1, 2025

Facility	Principal Balance	Accrued and Accruing Interest	Unpaid Monitoring Fees	Legal Fees¹	Forbearance Fee	Total
Loan	\$2,794,870.41	\$70,916.5	\$28,000.00	\$20,990.93	\$50,000	\$2,964,777.84

¹ Fees as at January 31, 2025. Additional fees have and will continue to accrue.

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO SECTION 244 OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: 2338486 Ontario Limited (the “Company”)

Take notice that:

1. ICICI Bank Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the Company described below:

- (a) all present and after-acquired real and personal property of the Company; and
- (b) all proceeds of the foregoing collateral.

2. The security that is to be enforced is in the form of:

- (a) a General Security Agreement dated June 29, 2023;
- (b) A Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517871; and
- (c) A General Assignment of Leases and Rents in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517872 (collectively, the “**Security**”).

3. As at March 1, 2025, the total amount of the indebtedness secured by the Security is CAD \$2,964,777.84 (the “**Indebtedness**”), plus interest accruing thereafter and costs incurred by or charged to the Bank. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum, calculated and compounded monthly. The full and final amount outstanding shall be confirmed on the date of payment.

4. The secured creditor will not have the right to enforce the Security until the expiry of the 10-day period after this notice is sent, unless the Company consents to an earlier enforcement.

Dated at Toronto, Ontario, this 20th day of March, 2025.

**ICICI BANK CANADA
by Thornton Grout Finnigan LLP, its solicitors herein**

Per:



Daniel Alievsky
Email: dalievsky@tgf.ca
File no. 1157-005

CONSENT

TO: ICICI BANK CANADA (the “**Bank**”)

FROM: 2338486 ONTARIO LIMITED (the “**Company**”)

The Company acknowledges receipt of a Notice of Intention to Enforce Security delivered by the Bank.

For consideration received, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Company hereby consents to the immediate enforcement by the Bank of the Security held by it from the Company, and for the same consideration waives completely all rights to any delay by or any further notice from the Bank with respect to the enforcement of the Bank’s Security and the exercise of the other remedies of the Bank against the Company.

DATED at _____ this _____ day of _____, 2025.

2338486 ONTARIO LIMITED

Per: _____

Name:

Title:

I have the authority to bind the Company.

March 20, 2025

**VIA COURIER
AND EMAIL [hojokitchener@yahoo.com]**

Kamal Patel
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Mr. Patel:

Re: Your Guarantee of the Indebtedness of 2338486 Ontario Limited (the “Borrower”) to ICICI Bank Canada (the “Bank”)

We are the lawyers for the Bank with respect to the above noted matter.

We refer to the following:

- (a) the commitment letter between the Bank and the Borrower dated June 29, 2023 as amended by the August Amendment Letter dated August 30, 2024 (together, the “**Commitment Letter**”); and the forbearance agreement dated November 25, 2024 among the Bank, the Borrower and the Guarantor (the “**Forbearance Agreement**”). Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Commitment Letter and all references to dollar amounts are Canadian dollars;
- (b) the mortgage loan (the “**Loan**”) in the amount of \$2,800,000 made available by the Bank to the Borrower pursuant to the Commitment Letter;

The Borrower is indebted to the Bank in respect of the Loan in the amount of \$2,964,777.84 as at March 1, 2025 (the “**Indebtedness**”) as set out in **Schedule “A”** hereto. In accordance with the terms of the Forbearance Agreement, and as confirmed under our letter to the Borrower dated March 1, 2025, (the “**Demand Letter**”) the Indebtedness is immediately due and payable.

By the Demand Letter, the Bank demanded payment of the Indebtedness and together therewith delivered to the Borrower a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

We also refer to your unlimited guarantee of the Borrower's obligations to the Bank pursuant to a guarantee dated June 29, 2023 (the "**Guarantee**"). Your obligations under the Guarantee are payable on demand.

On behalf of the Bank and in accordance with the Guarantee, we hereby demand payment from you of the said sum of \$2,964,777.84 in respect of the Indebtedness together with interest thereon and all costs, including all legal and other fees and disbursements incurred by the Bank, to the date of payment. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum, calculated and compounded monthly. As at today's date, interest is accruing on the Indebtedness in the amount of \$460.09.

In the event that you fail to pay the sum indicated, the Bank shall pursue its remedies against you.

Yours truly,

Thornton Grout Finnigan LLP



Daniel Alievsky

Encls.

cc: Lionel Meunier, *ICICI Bank Canada*

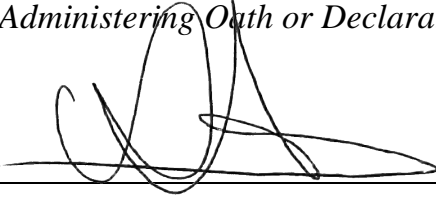
Schedule “A”

**Indebtedness of 2338486 Ontario Limited. to ICICI Bank Canada
 as at March 1, 2025**

Facility	Principal Balance	Accrued and Accruing Interest	Unpaid Monitoring Fees	Legal Fees¹	Forbearance Fee	Total
Loan	\$2,794,870.41	\$70,916.5	\$28,000.00	\$20,990.93	\$50,000	\$2,964,777.84

¹ Fees as at January 31, 2025. Additional fees have and will continue to accrue.

This is Exhibit "T" referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Alievsky', is written over a horizontal line.

A Commissioner for taking affidavits

DANIEL ALIEVSKY

March 20, 2025

**VIA COURIER
AND EMAIL [hojokitchener@yahoo.com]**

Kamal Patel
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Mr. Patel:

Re: Your Guarantee of the Indebtedness of 2338486 Ontario Limited (the “Borrower”) to ICICI Bank Canada (the “Bank”)

We are the lawyers for the Bank with respect to the above noted matter.

We refer to the following:

- (a) the commitment letter between the Bank and the Borrower dated June 29, 2023 as amended by the August Amendment Letter dated August 30, 2024 (together, the “**Commitment Letter**”); and the forbearance agreement dated November 25, 2024 among the Bank, the Borrower and the Guarantor (the “**Forbearance Agreement**”). Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Commitment Letter and all references to dollar amounts are Canadian dollars;
- (b) the mortgage loan (the “**Loan**”) in the amount of \$2,800,000 made available by the Bank to the Borrower pursuant to the Commitment Letter;

The Borrower is indebted to the Bank in respect of the Loan in the amount of \$2,964,777.84 as at March 1, 2025 (the “**Indebtedness**”) as set out in **Schedule “A”** hereto. In accordance with the terms of the Forbearance Agreement, and as confirmed under our letter to the Borrower dated March 1, 2025, (the “**Demand Letter**”) the Indebtedness is immediately due and payable.

By the Demand Letter, the Bank demanded payment of the Indebtedness and together therewith delivered to the Borrower a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* (Canada).

We also refer to your unlimited guarantee of the Borrower's obligations to the Bank pursuant to a guarantee dated June 29, 2023 (the "**Guarantee**"). Your obligations under the Guarantee are payable on demand.

On behalf of the Bank and in accordance with the Guarantee, we hereby demand payment from you of the said sum of \$2,964,777.84 in respect of the Indebtedness together with interest thereon and all costs, including all legal and other fees and disbursements incurred by the Bank, to the date of payment. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum, calculated and compounded monthly. As at today's date, interest is accruing on the Indebtedness in the amount of \$460.09.

In the event that you fail to pay the sum indicated, the Bank shall pursue its remedies against you.

Yours truly,

Thornton Grout Finnigan LLP



Daniel Alievsky

Encls.

cc: Lionel Meunier, *ICICI Bank Canada*

Schedule “A”

**Indebtedness of 2338486 Ontario Limited. to ICICI Bank Canada
 as at March 1, 2025**

Facility	Principal Balance	Accrued and Accruing Interest	Unpaid Monitoring Fees	Legal Fees¹	Forbearance Fee	Total
Loan	\$2,794,870.41	\$70,916.5	\$28,000.00	\$20,990.93	\$50,000	\$2,964,777.84

¹ Fees as at January 31, 2025. Additional fees have and will continue to accrue.

March 20, 2025

**VIA COURIER
AND EMAIL [hojokitchener@yahoo.com]**

2338486 Ontario Limited
29 Idle Ridge Court
Kitchener, Ontario N2A 3W3

Attention: Kamal Patel

Dear Mr. Patel:

Re: Indebtedness of 2338486 Ontario Limited (the “Borrower”) to ICICI Bank Canada (the “Bank”)

We are the lawyers for the Bank with respect to the above-noted matter.

We refer to the term loan made available to the Borrower by the ICICI Bank Canada (the “**Bank**”) pursuant to the Commitment Letter dated June 29, 2023, as amended by the August Amendment Letter dated August 30, 2024 (together, the “**Commitment Letter**”). Pursuant to the Commitment Letter, the Bank made available to the Borrower a term loan in the maximum principal amount of \$2,800,000.00 (the “**Loan**”). The Borrower’s indebtedness to the Bank in respect of to the Loan is in the amount of CAD\$2,964,777.84 (the “**Indebtedness**”) as set out in **Schedule “A”** hereto. We also refer to the forbearance agreement dated November 25, 2024 (the “**Forbearance Agreement**”) that, among other things, prohibited the Bank from exercising its rights and remedies against the Borrower until April 1, 2025.

As of today’s date, the Borrower remains in default of its obligations under the Commitment Letter and the Forbearance Agreement, as detailed in our letter dated January 14, 2025. In that letter, the Borrower expressly acknowledged both the terms of the Forbearance Agreement and its existing defaults. Accordingly, the Indebtedness under those agreements is immediately due and payable.

On behalf of the Bank, we hereby demand payment from you of the said sum of CAD\$2,964,777.84 in respect of the Indebtedness together with interest thereon and all costs, including all legal and other agent fees and disbursements incurred by the Bank to the date of payment. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum.

We also enclose a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* (Canada) together with a consent thereto. If you consent to the Bank enforcing its rights and remedies without further delay, please date and execute one copy of the consent attached

to the enclosed Notice of Intention to Enforce Security and return same to the undersigned by email forthwith.

In the event that you fail to pay the sum indicated within 10 days from the date of this letter, the Bank shall pursue its remedies against you.

Yours truly,

Thornton Grout Finnigan LLP



Daniel Alievsky

Encls.

cc: Lionel Meunier, *ICICI Bank Canada*

Schedule “A”
Indebtedness of 2338486 Ontario Limited to ICICI Bank Canada
as at March 1, 2025

Facility	Principal Balance	Accrued and Accruing Interest	Unpaid Monitoring Fees	Legal Fees¹	Forbearance Fee	Total
Loan	\$2,794,870.41	\$70,916.5	\$28,000.00	\$20,990.93	\$50,000	\$2,964,777.84

¹ Fees as at January 31, 2025. Additional fees have and will continue to accrue.

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO SECTION 244 OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: 2338486 Ontario Limited (the “Company”)

Take notice that:

1. ICICI Bank Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the Company described below:

- (a) all present and after-acquired real and personal property of the Company; and
- (b) all proceeds of the foregoing collateral.

2. The security that is to be enforced is in the form of:

- (a) a General Security Agreement dated June 29, 2023;
- (b) A Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517871; and
- (c) A General Assignment of Leases and Rents in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517872 (collectively, the “**Security**”).

3. As at March 1, 2025, the total amount of the indebtedness secured by the Security is CAD \$2,964,777.84 (the “**Indebtedness**”), plus interest accruing thereafter and costs incurred by or charged to the Bank. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum, calculated and compounded monthly. The full and final amount outstanding shall be confirmed on the date of payment.

4. The secured creditor will not have the right to enforce the Security until the expiry of the 10-day period after this notice is sent, unless the Company consents to an earlier enforcement.

Dated at Toronto, Ontario, this 20th day of March, 2025.

**ICICI BANK CANADA
by Thornton Grout Finnigan LLP, its solicitors herein**

Per:



Daniel Alievsky
Email: dalievsky@tgf.ca
File no. 1157-005

CONSENT

TO: ICICI BANK CANADA (the “**Bank**”)

FROM: 2338486 ONTARIO LIMITED (the “**Company**”)

The Company acknowledges receipt of a Notice of Intention to Enforce Security delivered by the Bank.

For consideration received, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Company hereby consents to the immediate enforcement by the Bank of the Security held by it from the Company, and for the same consideration waives completely all rights to any delay by or any further notice from the Bank with respect to the enforcement of the Bank’s Security and the exercise of the other remedies of the Bank against the Company.

DATED at _____ this _____ day of _____, 2025.

2338486 ONTARIO LIMITED

Per: _____

Name:

Title:

I have the authority to bind the Company.

This is Exhibit “U” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO SECTION 244 OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: 2338486 Ontario Limited (the “Company”)

Take notice that:

1. ICICI Bank Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the Company described below:
 - (a) all present and after-acquired real and personal property of the Company; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of:
 - (a) a General Security Agreement dated June 29, 2023;
 - (b) A Charge/Mortgage registered in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517871; and
 - (c) A General Assignment of Leases and Rents in the Land Registry Office for the Land Titles Division of Waterloo (No. 58) on July 4, 2023, as Instrument No. WR1517872 (collectively, the “**Security**”).
3. As at March 1, 2025, the total amount of the indebtedness secured by the Security is CAD \$2,964,777.84 (the “**Indebtedness**”), plus interest accruing thereafter and costs incurred by or charged to the Bank. Interest accrues on the Indebtedness at the rate of six percent (6%) per annum, calculated and compounded monthly. The full and final amount outstanding shall be confirmed on the date of payment.
4. The secured creditor will not have the right to enforce the Security until the expiry of the 10-day period after this notice is sent, unless the Company consents to an earlier enforcement

Dated at Toronto, Ontario, this 20th day of March, 2025.

**ICICI BANK CANADA
by Thornton Grout Finnigan LLP, its solicitors herein**



Per:

Daniel Alievsky
Email: dalievsky@tgf.ca
File no. 1157-005

CONSENT

TO: ICICI BANK CANADA (the “**Bank**”)

FROM: 2338486 ONTARIO LIMITED (the “**Company**”)

The Company acknowledges receipt of a Notice of Intention to Enforce Security delivered by the Bank.

For consideration received, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Company hereby consents to the immediate enforcement by the Bank of the Security held by it from the Company, and for the same consideration waives completely all rights to any delay by or any further notice from the Bank with respect to the enforcement of the Bank’s Security and the exercise of the other remedies of the Bank against the Company.

DATED at _____ this _____ day of _____, 2025.

2338486 ONTARIO LIMITED

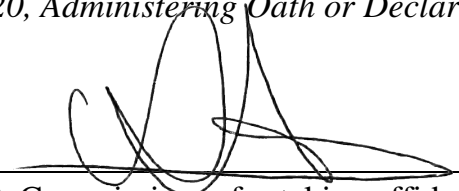
Per: _____

Name:

Title:

I have the authority to bind the Company.

This is Exhibit “V” referred to in the
Affidavit of LIONEL MEUNIER affirmed by LIONEL
MEUNIER of the City of Toronto, in the Province of Ontario,
before me this 14th day of April, 2025 in accordance with
O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DANIEL ALIEVSKY

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

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

B E T W E E N:

ICICI BANK CANADA

Applicant

- and -

2338486 ONTARIO LIMITED

Respondent

CONSENT

ALBERT GELMAN INC. (“AGI”) hereby consents to act as court-appointed receiver, without security, of all of the assets, undertakings and properties of 2338486 Ontario Limited in accordance with an order substantially in the form requested by the Applicant, or as such order may be amended in a manner satisfactory to AGI.

Dated at Toronto, Ontario, this 10th day of April, 2025.

ALBERT GELMAN INC.



Per: _____

Name: Adam Zeldin

Title: Managing Director

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

ICICI BANK CANADA
Applicant

-AND-

2338486 ONTARIO LIMITED.
Respondent

Court File No.: CV-25-00740747-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto, Ontario

CONSENT

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Tel: (416) 304-1616

Mitchell Grossell (LSO# 69993I)
Email: mgrossell@tgf.ca

Daniel Alievsky (LSO #90637D)
Email: dalievsky@tgf.ca

Lawyers for the Applicant,
ICICI Bank Canada

TAB 3

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

THE HONOURABLE

)

THURSDAY, THE 17TH

JUSTICE DIETRICH

)

DAY OF APRIL, 2025

)

ICICI BANK CANADA

Applicant

- and -

2338486 ONTARIO LIMITED

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing Albert Gelman Inc. (“**AGI**”) as receiver (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 2338486 Ontario Limited (the “**Debtor**”), including, without limitation, the real property municipally known as 392 and 398 Erb Street, Waterloo, Ontario and legally described at Schedule “A” hereto (the “**Erb Properties**”), was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the affidavit of Lionel Meunier affirmed April [●], 2025 and the Exhibits thereto (the “**Meunier Affidavit**”) and on hearing the submissions of counsel for the Applicant, and on

reading the consent of AGI to act as the Receiver and the Affidavit of Service of Daniel Alievsky sworn April [●], 2025.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby validated such that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, AGI is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, and all proceeds thereof, including, without limitation, the Erb Properties (the “**Property**”).

RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement or renewal of such insurance coverage as may be necessary or desirable;
- (c) to carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business,

cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor, including in respect of the Property;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (f) to settle, extend or compromise any indebtedness owing to the Debtor;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (h) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (i) to market any or all of the Property, including advertising, listing the Erb Properties on a multiple listing service and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (k) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (l) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (o) to take steps and actions necessary to maintain or prepare the Property, or any parts thereof, for realization, including arranging for any permits,

repairs, maintenance and other preservation and preparation activities, as necessary;

- (p) to enter into agreements with any trustee in bankruptcy that may be appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, financial advisors, including but not limited to CORFinancial Corp., and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, including but not limited to any reports in respect of the Erb Properties, and any computer programs, computer tapes, computer disks, or other data storage media containing any such

information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with

leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, including the commencement of any power of sale, foreclosure, or other similar type of proceeding or remedy by any other Person, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

10. **THIS COURT ORDERS** that CORFinancial Corp. and its directors, officers, employees, agents, and any other Persons acting on its behalf or under its instruction are hereby prohibited from taking any further steps in connection with the Notice of Sale dated March 19, 2025, and shall immediately cease marketing or soliciting offers for the sale of the Erb Properties, including removing the Erb Properties from any real estate brokerage listing or other advertising platform.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized

banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

PIPEDA

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

provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise

ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE RECEIVERSHIP

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

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

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

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

SERVICE AND NOTICE

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

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

following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

SEALING

26. **THIS COURT ORDERS** that Confidential Exhibit “1” to the Meunier Affidavit is hereby sealed until the earlier of: (a) the closing of a sale of the Erb Properties, or (b) further order of the Court.

GENERAL

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

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

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

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

31. **THIS COURT ORDERS** that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff’s security or, if

not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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

REGISTRATION ON TITLE

33. **THIS COURT ORDERS** that, as soon as practicable, the Land Registry Office for the Land Titles Division of Waterloo (LRO #58) accept this Order for registration on title to the Erb Properties.

SCHEDULE “A”

LEGAL DESCRIPTION OF THE ERB PROPERTIES

PIN 22393-0636 (LT)

PART LOT 18, PL 696 BEING PART 1 ON 58R21677; CITY OF WATERLOO

22393-0638 (LT)

PART LOT 18, PLAN 696 BEING PARTS 4, 5 AND 6 ON 58R21677; CITY OF WATERLOO

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 2338486 Ontario Limited (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 17th day of April, 2025 (the "**Order**") made in an application having Court File No. CV-25-00740747-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly after the date hereof at a notional rate per annum equal to a fixed rate of six (6) percent.

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

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

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

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

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

DATED the ____ day of _____, 20__.

Albert Gelman Inc., solely in its capacity as
Receiver of the Debtor, and not in its personal or
corporate capacity

Per: _____

Name:

Title:

Confidential Exhibit “1”
to the Application Record of the
Applicant, ICICI Bank Canada

Appraisal of the Erb Properties commissioned by the Debtor dated
November 14, 2022

(to be filed with Court subject to a request for sealing order)