



NB
C111317

JS Nov 22, 2023

COURT FILE NUMBER 2301-04941

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF WESTMOUNT PROJECTS INC.

PLAINTIFF BANK OF MONTREAL

DEFENDANTS WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975874 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDON D. ANDERSON, and DENI MARIO DANIEL ECHINO

DOCUMENT **THIRD REPORT OF THE COURT-APPOINTED RECEIVER OF WESTMOUNT PROJECTS INC.**

DATED NOVEMBER 15, 2023

PREPARED BY DELOITTE RESTRUCTURING INC.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Receiver
DELOITTE RESTRUCTURING INC.
Suite 700, 850 - 2nd Street SW
Calgary, AB T2P 0R8

Attention: Cassie Poon
Tel: 403-267-1817
Email: caspoon@deloitte.ca

Legal Counsel
DENTONS CANADA LLP
Suite 1500, 850 - 2nd Street SW
Calgary, AB T2P 0R8

Attention: Derek Pontin
Tel: 403-268-6301
Email: derek.pontin@dentons.com

Table of contents

Introduction and Background	3
Purpose	5
Terms of Reference	5
Currency	6
Sealing of the Confidential Supplement	6
Receiver's Activities	6
Compliance Order	7
Serial Number Property	7
Security Deposits	7
Outstanding books and records	7
Marketing and Sale Process	8
Summary of the Sale Process	8
Sale Process bid results	9
Conclusions and Recommendations	10

APPENDICES

Appendix "A" – August 4 Order

Appendix "B" – Sale Process Order

Appendix "C" – Mainstreet Equity Corp. Asset Purchase Agreement - Redacted

Appendix "D" – Harmani Calgary Inc. Asset Purchase Agreement - Redacted

Introduction and Background

1. On April 27, 2023, Deloitte Restructuring Inc. ("**Deloitte**") was appointed by an Order (the "**Interim Receiver of Rents Order**") of the Court of King's Bench of Alberta (the "**Court**") as the Interim Receiver of Rents (the "**Rent Receiver**"), without security, to collect rents for the five (5) specific properties (the "**Properties**") owned by Westmount Projects Inc. ("**Westmount**" or the "**Debtor**"), 1975847 Alberta Ltd. ("**197**") and 2218923 Alberta Ltd. ("**221**"). The Interim Receiver of Rents Order was granted as a result of an application by Bank of Montreal ("**BMO**"), who has registered security interests in respect of the Properties. The relief sought in the application, except for the relief granted in respect of the Interim Receiver of Rents Order, was adjourned and the adjourned portions of the application were heard on May 10, 2023 and May 15, 2023.
2. Since the date of the Interim Receiver of Rents Order, the Rent Receiver filed one report with the Court outlining the activities of the Rent Receiver and summarizing additional information with respect to the Properties. The Interim Receiver of Rents Order, the Rent Receiver's report, and all other Court filings (as provided to the Rent Receiver) related to the interim receivership of rents can be found on Deloitte's website at www.insolvencies.deloitte.ca/en-ca/Westmount.
3. On May 15, 2023 (the "**Date of Receivership**") Deloitte was appointed by Order of the Court of King's Bench of Alberta (the "**Receivership Order**") as the receiver and manager (the "**Receiver**"), without security, over the three (3) properties legally described in the table below (collectively the "**Mortgaged Property**") and the serial number property also described in the table below (collectively the "**Serial Number Property**"), including all current and future assets, undertakings, and properties of every nature and kind whatsoever and wherever situated of Westmount including all proceeds thereof arising therefrom but only to the extent such property is located on the Mortgaged Property or arising out of or in connection with the Serial Number Property and the Mortgaged Property. The Receivership Order was filed on May 23, 2023.

Mortgaged Property

Legal Land Description	Municipal Address	City	Province	Postal Code
Plan B1 Block 35 Lot 12	303 23 Avenue SW	Calgary	AB	T2S 0J3
Plan 4479p Block 9 Lots 18 to 20	1538 27 Avenue SW	Calgary	AB	T2T 1G4
Condominium Plan 2011798 Unit 1 to 4	2617 12 Avenue SE	Calgary	AB	T2A 0G1

Serial Number Property

Serial Number	Description
LG170613A	2021 Miller XTM 350 Welder
LF1145A	2021 Miller XTM 350 Welder
LF304789	2021 Miller XTM 350 Welder
LF236463	2021 Miller XTM 350 Welder
3GTU2PEC2GG358326	2016 GMC Sierra
5NHUBL422MB482082	2021 FROR Moel BL714TA2
2CPUSD2F7MA043011	2021 Cantra Model DT8314-14K
2CPUSD2F9MA043012	2021 Cantra Model DT8314-14K

4. Westmount is a private company incorporated in the Province of Alberta on January 20, 2015 and is wholly owned by Westmount Family Trust. Abdul Sattar is the sole director. Westmount is a real estate holding company for approximately 17 residential properties. Only three (3) of the 17 Westmount properties, defined as the Mortgaged Property shown above, are subject to the Receivership Order. The Mortgaged Property are residential properties and comprise a total of 18 units with no vacancies as at the Date of Receivership.
5. The primary secured lender for the Mortgaged Property and Serial Number Property is BMO which was owed approximately \$2.7 million from Westmount ("**BMO Indebtedness**") as at the Date of Receivership. BMO holds various registered security over the Mortgaged Property and Serial Number

Property (the "**BMO Security**"). Horizon Capital Corporation, Anderson & Associates Financial Corp., and Canadian Western Bank also hold registered security over the Mortgaged Property.

6. On June 29, 2023, the First Report of the Receiver (the "**First Report**") was filed in support of the July 5, 2023 application seeking, among other things:
 - a. approval of the activities, fees, and disbursements of the Receiver as described in the First Report, including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees and disbursements of the Receiver's legal counsel; and
 - b. an Order compelling and directing Westmount to provide the Receiver with the Serial Number Property, security deposits concerning the Mortgaged Property, information, books, and records required by the Receiver, and mail related to the Mortgaged Property and Serial Number Property, and directing Westmount's director, Abdul Sattar, and representative, Farhan Sattar, to cause Westmount to comply with these duties.
7. The portions of the Receiver's July 5, 2023 application seeking approval of its accounts for fees and disbursements, the accounts of the Receiver's legal counsel Dentons Canada LLP ("**Dentons**") for their fees and disbursements, and the Receiver's activities as set out in the First Report and the Statement of Receipts and Disbursements as attached to the First Report, was adjourned *sine die*, to permit interested parties additional time to review the First Report.
8. The terms of the Order granted at the July 5, 2023 application were finalized and filed with this Honourable Court on August 30, 2023 (the "**Compliance Order**"). The Compliance Order requires the Debtor to comply with its duties in returning receivership property and providing books, records, and information to the Receiver and orders Abdul Sattar and Farhan Sattar to take appropriate steps to cause Westmount to comply with the obligations placed on it pursuant to the Compliance Order.
9. On July 10, 2023, the Second Report of the Receiver (the "**Second Report**") was filed in support of the July 17, 2023 application seeking:
 - a. approval of the activities, fees, and disbursements of the Receiver as described in the First Report and Second Report, including, without limitation, the steps taken by the Receiver pursuant to the Receivership Order, and the fees and disbursements of the Receiver's legal counsel;
 - b. sealing of the Confidential Appendices of the Second Report until the earlier of: (i) the closing of the sale of the Property; (ii) the discharge of the Receiver; or (iii) further Order of this Honourable Court; and
 - c. the approval of the sale process proposed by the Receiver in respect of the Mortgaged Property and authorization and direction for the Receiver to take all steps and actions reasonably necessary to implement, conduct and carry-out the sale process.
10. The Receiver's application on July 17, 2023 was opposed by certain guarantors of the Debtor (the "**Anderson Parties**") and adjourned to August 4, 2023. On July 31, 2023, the Receivers filed a supplement to the Second Report in support of the August 4, 2023 application.
11. On August 4, 2023, this Honourable Court pronounced two (2) Orders approving (i) the fees and activities of the Receiver and its legal counsel and the sealing of the Confidential Appendices as outlined in the Second Report (the "**August 4 Order**"); and (ii) the sale process proposed by the Receiver in respect of the Mortgaged Property (the "**Sale Process Order**"). Copies of the August 4 Order and the Sale Process Order are attached hereto as **Appendices "A"** and **"B"**, respectively.

12. The Anderson Parties set down an application seeking variance of the sales process contemplated in the Sales Process Order, which application was adjourned *sine die* by order of the Honourable Justice Feasby pronounced August 17, 2023.
13. The Receivership Order, related court documents, the Notice to Creditors, the First Report, the Second Report, the supplement to the Second Report, and this third report of the Receiver (this "**Third Report**") are posted on the Receiver's website at www.insolvencies.deloitte.ca/en-ca/Westmount.
14. Unless otherwise stated, all other capitalized terms not defined in this Third Report are as defined in the Receivership Order, the First Report, or the Second Report.

Purpose

15. The purpose of this Third Report is to:
 - a) Provide an update on the administration of the receivership since the Second Report;
 - b) Provide the results of the Receiver's Sale Process (as defined later in this Third Report); and
 - c) Respectfully recommend that this Honourable Court make orders:
 - i. Approving and directing the Receiver to carry out the terms of the asset purchase agreement with Mainstreet Equity Corp. ("**MEC**") dated November 13, 2023 (the "**MEC APA**"), together with any amendments thereto, completing the sale of the purchased assets as described in the MEC APA (the "**Gloria Court Assets**") and vesting title to the Gloria Court Assets free and clear of all liens, charges, security interests and other encumbrances in and to MEC. A redacted copy of the MEC APA is attached hereto as **Appendix "C"**. An unredacted copy of the MEC APA is attached to the confidential supplement to this Third Report (the "**Confidential Supplement**") as **Appendix "B"**;
 - ii. Approving and directing the Receiver to carry out the terms of the asset purchase agreement with Harmani Calgary Inc. ("**HCI**") dated November 6, 2023 (the "**HCI APA**"), together with any amendments thereto, completing the sale of the purchased assets as described in the HCI APA (the "**Marda Loop and Albert Park Assets**") and vesting title to the Marda Loop and Alberta Park Assets free and clear of all liens, charges, security interests and other encumbrances in and to HCI. A redacted copy of the HCI APA is attached hereto as **Appendix "D"**. An unredacted copy of the HCI APA is attached to the Confidential Supplement as **Appendix "C"**;
 - iii. sealing the Confidential Supplement until the earlier of: (i) the filing of the Receiver's Closing Certificates upon closing of the sale of the Mortgaged Property; (ii) March 31, 2024; or (iii) further Order of this Honourable Court;
 - iv. declaring that the Receiver has no liability to any person under the *Residential Tenancies Act*, SA 2004 c R-17.1; and
 - v. providing such further or other relief that the Court considers just and warranted in the circumstances.

Terms of Reference

16. In preparing this Third Report, the Receiver has relied upon unaudited financial information prepared by the Debtor's management and agents (collectively "**Management**"), the Debtor's books and records, and discussions with Management. The Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants*

Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the information. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of this Third Report.

17. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Third Report. Any use, which any party makes of this Third Report, or any reliance or decision to be made based on this Third Report, is the sole responsibility of such party.

Currency

18. All dollar amounts in this Third Report are in Canadian dollars, unless otherwise indicated.

Sealing of the Confidential Supplement

19. The Confidential Supplement includes commercially sensitive information regarding the Debtor and the Mortgaged Property (the "**Confidential Information**").
20. The Receiver recommends that a Court order be granted sealing the Confidential Supplement and that it remains under seal until after the closing of the sale of the Mortgaged Property (the "**Sealing Order**"), unless otherwise ordered by the Court, to avoid any negative impact that could result from dissemination of the information contained in the Confidential Supplement. Publication or dissemination of the Confidential Information contained in the Confidential Supplement would pose serious risk to the commercial interests of stakeholders and tainting of the sales process and any potential future sales process, which may be required.
21. The proposed Sealing Order sought by the Receiver permits any interested party to apply, on notice to the Receiver, to vary the terms of the Sealing Order or to unseal the Confidential Supplement and also includes an outside date on which the Confidential Supplement will be unsealed, absent further order of the Court.

Receiver's Activities

22. The Receiver has undertaken and performed the following activities since the Second Report:
 - a. preparing and updating from time to time an operating receivership cash flow;
 - b. corresponding with Dentons, the Receiver's independent legal counsel, on various legal matters relating to these receivership proceedings;
 - c. attending premises to meet trade vendors regarding property maintenance and tenancy matters;
 - d. corresponding with creditors, tenants, and other stakeholders;
 - e. conducting the marketing and sales process in respect of the Mortgaged Property, as described in more detail in this Third Report, including negotiating the MEC APA and HCI APA;
 - f. corresponding with Avison Young Commercial Real Estate Services, LP ("**Avison Young**");
 - g. preparing interim statutory reports and filing same with the Office of the Superintendent of Bankruptcy in accordance with subsection 246(2) of the *Bankruptcy and Insolvency Act*;

- h. effecting service of the Compliance Order on Westmount and Farhan Sattar and attempting to effect service of the Compliance Order on Abdul Sattar;
- i. preparing, reviewing, and finalizing this Third Report and the Confidential Supplement; and
- j. addressing additional matters of both a general and specific nature as they arose from time to time.

Compliance Order

- 23. As previously discussed, the Compliance Order required the Debtor to comply with its duties by returning receivership property and providing books, records, and information to the Receiver and ordered Abdul Sattar and Farhan Sattar to take appropriate steps to cause Westmount to comply with the obligations placed on it pursuant to the Compliance Order.
- 24. The Receiver effected service of the Compliance Order on Westmount and Farhan Sattar. The Receiver also engaged a process server to attempt service of the Compliance Order on Abdul Sattar, however such attempts were unsuccessful.
- 25. The Receiver's legal counsel sent follow up correspondence to the Debtor, in care of its then counsel in this matter Llewellyn Law, requiring compliance with the Compliance Order.
- 26. As at the date of this Third Report, Westmount has failed or neglected to comply with the provisions of the Compliance Order as detailed in paragraphs 27 through 34 of this Third Report.

Serial Number Property

- 27. Paragraph 3 (a) of the Compliance Order directs Westmount to deliver the Serial Number Property to the yard located at 1100 114th Avenue SW Calgary, Alberta.
- 28. As at the date of this Third Report, the Receiver has not received confirmation of delivery or any other correspondence with respect to the Serial Number Property.

Security Deposits

- 29. Paragraph 4 of the Compliance Order directs Westmount to advise the Receiver as to whether it received, and whether it remains in possession of funds in the amount of \$23,240 in respect of security deposits and, if in possession of such funds, pay such funds to the Receiver. If Westmount advises that it received these funds but is no longer in possession of the same, it must advise the Receiver as to where the funds have been transferred to.
- 30. As at the date of this Third Report, the Receiver has not received any security deposits from Westmount nor has the Receiver been provided any written correspondence with respect to the whereabouts of the security deposits.
- 31. The Receiver has, and continues to, address the repayment of the security deposits with those parties whose leases have expired during the term of the receivership proceedings. The security deposits of remaining tenants are discussed further in paragraph 49(f) of this Third Report.

Outstanding books and records

- 32. Paragraph 5 of the Compliance Order directs Westmount to provide the Receiver with the information outlined in Annex "1" of the Compliance Order or confirm in writing that it does not have such information (or any portion thereof).

33. Paragraph 6 of the Compliance Order directs Westmount to provide all mail correspondence received regarding the Mortgaged Property and the Serial Number Property.
34. As at the date of this Third Report the Receiver has not received any written correspondence with respect to the outstanding information nor has the Receiver been provided with any mail from Westmount as it relates to the Mortgaged Property or the Serial Number Property or been advised whether or not there is any mail to be delivered.

Marketing and Sale Process

35. Pursuant to and in accordance with the Sale Process Order, the Receiver was authorized and directed to carry out the requirements of the Sale Process, with the assistance of and in consultation with Avison Young. Capitalized terms used in this section of the Third Report not otherwise defined have the meaning ascribed to them in the Sale Process Order.

Summary of the Sale Process

36. As set out in the Second Report and the Sale Process Order, the timing of key milestones relating to the Sales Process was as follows:

Milestone	Deadline
Sale Process Order	August 4, 2023
Solicitation of interest	August 10, 2023 or as soon as reasonably practicable
Bid Deadline	September 11, 2023
Selection of Successful Bid	TBD
Transaction Approval Application	October 2, 2023 (depending on Court availability)
Closing of any successful bid	October 31, 2023

37. Avison Young, in consultation with the Receiver, developed marketing brochures (the “**Teasers**”) to invite potential purchasers to participate in the Sales Process.
38. On August 16, 2023, Avison Young undertook an extensive sales and marketing process deploying various marketing tools including, but not limited to, an online listing of the Mortgaged Property on Avison Young’s commercial website, posting the listing on Avison Young’s LinkedIn accounts, and providing the Teaser to several potentially interested third parties using Avison Young’s client distribution lists.
39. The Receiver published notice of the Sale Process in the *Calgary Herald* and the *Global and Mail* (National Edition) on August 11, 2023 and August 15, 2023, respectively.
40. A copy of all Sales Process documents was also posted on the Receiver’s website at www.insolvencies.deloitte.ca/en-ca/Westmount.
41. A secure virtual data room was created by the Receiver and was made available to all “Qualified Bidders”, as defined in the Sale Process, who executed confidentiality agreements (the “**CA**”).
42. Throughout the Sale Process, Avison Young provided the Receiver with regular reporting regarding its marketing activities, including the number of prospective purchasers who had expressed an interest in the Mortgaged Property.

43. Avison Young has advised that in addition to the public marketing of the Mortgaged Property on the platforms listed above, approximately 1,400 potentially interested parties were contacted and 26 parties executed CAs with the Receiver and were provided access to the virtual data room with detailed financial information on the Mortgaged Property, among other information. A total of nine (9) parties toured the Mortgaged Property.
44. The Receiver is of the view that the market was strategically and sufficiently canvassed for potential buyers by the steps outlined above.

Sale Process bid results

45. At the Bid Deadline of August 21, 2023, the Receiver received a total of 13 offers for the Mortgaged Property. All offers were similar in total consideration and the majority of offers included conditions that, in the Receiver’s view, could be addressed and cleared with additional time to complete due diligence. Accordingly the Receiver invited the 13 parties to submit final and best offers (the “**Final Offers**”) by no later than October 11, 2023.

Property	Initial Offers August 21, 2023	Final Offers October 11, 2023
303 - 23 Ave SW ("Gloria Court")	4	4
1538 - 27 Ave SW ("Marda Loop")	6	4
2617 - 12 Ave SE ("Albert Park")	3	3
Total offers received	13	11

46. Two (2) parties advised Avison Young that they were not prepared to proceed with additional due diligence or revise their offers and withdrew from the Sale Process.
47. A comparative summary of the Final Offers received by the Receiver is detailed in the Confidential Supplement.
48. HCI’s Final Offer was submitted to purchase all of the Mortgaged Properties, however the value ascribed to the Gloria Court Assets in HCI’s Final Offer was not as high as the value ascribed to the Gloria Court Assets by MEC’s Final Offer. The Receiver confirmed with HCI that they were willing to proceed with acquisition of the Marda Loop and Albert Park Assets alone, and accordingly the Receiver determined that HCI’s offer was the winning bid for the Marda Loop and Alberta Park Assets and MEC’s offer was the winning bid for the Gloria Park Assets.
49. The Receiver is of the view that the offers made by HCI and MEC, as further described in the Confidential Supplement are the superior offers for the Mortgaged Property and should be approved by the Court for the following reasons:
- a. Avison Young undertook a strategic and broad canvassing of the market to obtain the highest sale price for the Mortgaged Property;
 - b. the purchases prices are consistent with Avison Young’s assessed value of the Mortgaged Property based on current market conditions;
 - c. the purchase prices exceed the Newmark appraisal values of the Mortgaged Property;
 - d. the HCI APA and MEC APA provide the greatest recoveries for the receivership estate (one offer was received for the Marda Loop Assets that exceeded HCI’s proposed purchase price, however the offer was subject to numerous conditions such that the Receiver did not have confidence in the ability of the offer to close, and in the Receiver’s view the difference in proposed purchase price was insufficient to justify the increased closing risk);

- e. the HCI APA and MEC APA are condition free and provide for an efficient closing (within 15 business days of Court approval);
 - f. all existing tenant leases are being assumed by the respective purchasers and the MEC APA and HCI APA each provide that the respective purchasers are liable for the security deposits associated with the leases being assumed;
 - g. the sale proceeds are of a quantum to satisfy the known potential priority claims (unpaid property taxes and CRA debts) registered on title to the Mortgaged Property;
 - h. the Receiver's fees and those of its legal counsel will be satisfied from the sale proceeds; and
 - i. the Receiver is advised that BMO, who has first in time registered mortgages on the Mortgaged Property, supports the HCI APA and MEC APA.
50. Based on the exhaustive Sales Process undertaken by Avison Young, the appraised value of the Mortgaged Property and the comparatively higher values offered by the HCI APA and MEC APA, the Receiver is of the view that the HCI APA and MEC APA are commercially reasonable and will maximize the available recovery for the receivership estate. Additional reasons and support are included in the Confidential Supplement. Accordingly, the Receiver requests that this Honourable Court approve the HCI APA and MEC APA for the reasons outlined herein and in the Confidential Supplement and vest title to the Mortgaged Property in and to HCI and MEC accordingly.
51. The Receiver requests that the sale approval and vesting orders clarify that the Receiver has no liability pursuant to the *Residential Tenancies Act*, SA 2004 c R-17.1 with respect to all leases being assumed by the purchasers. In the Receiver's respectful view, this relief is consistent with the language of the standard template sale approval and vesting orders and will provide clarity in the unique circumstances where the receivership assets are subject to residential leases. Moreover, the Receiver notes that the HCI APA and MEC APA provide that the respective purchasers assume responsibility for security deposits for the assumed leases.

Conclusions and Recommendations

52. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the relief detailed in Section 15(c) of this Third Report and such further and other relief, as this Honourable Court deems appropriate in the circumstances.

* * *

All of which is respectfully submitted at Calgary, Alberta this 15 day of November 2023.

DELOITTE RESTRUCTURING INC.,

In its capacity as Court-appointed Receiver for the Mortgaged Property and Serial Number Property as defined above and not in its personal or corporate capacity

Per:



Cassie Poon, CIRP, LIT
Senior Vice-President

APPENDIX "A"

Clerk's Stamp:



COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>ORDER – APPROVAL AND RESTRICTED COURT ACCESS</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15th Floor, 850 - 2nd Street S.W. Calgary, Alberta T2P 0R8 Attention: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 569588-14
DATE ON WHICH ORDER WAS PRONOUNCED:	August 4, 2023
LOCATION WHERE ORDER WAS PRONOUNCED:	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	The Honourable Justice Yamauchi

UPON the application of Deloitte Restructuring Inc., in its capacity as Court-appointed receiver and manager (“**Receiver**”) pursuant to three Orders of the Honourable Justice Lema pronounced on May 15, 2023 in these proceedings (the “**Receivership Orders**”); **AND UPON** reading the First Report (“**First Report**”), Second Report (“**Second Report**”), and Supplemental Report (“**Supplemental Report**”) to the Second Report of the Receiver in respect of Westmount Projects Inc. (“**Westmount**”); **AND UPON** reading Confidential Appendices 1-4 to the Second Report (collectively, the “**Confidential Appendices**”); **AND UPON** reading the Affidavits of Service of Terry Trojanoski sworn August 2, 2023; **AND UPON** noting the attendance of or hearing from counsel for the Receiver, counsel for Bank of Montreal, counsel for Gordon D. Anderson and Anderson & Associates Financial Corp., counsel for Westmount Projects Inc., 2218923 Alberta Ltd., and 1975847 Alberta Ltd., counsel for the Canada Revenue Agency, counsel for Deni Mario Daniel Echino, and counsel for Horizon Capital Corporation;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient and this application is properly returnable today.

Approval of Fees and Activities

1. The Receiver's accounts for fees and disbursements, as set out in the First Report are hereby approved without the necessity of a formal passing of its accounts.
2. The accounts of the Receiver's legal counsel Dentons Canada LLP for their fees and disbursements, as set out in the First Report are hereby approved without the necessity of a formal assessment of their accounts.
3. The Receiver's activities as set out in the First Report, Second Report, and Supplemental Report and the Statements of Receipts and Disbursements as attached to the First Report and Second Report, are hereby ratified and approved.

Restricted Court Access

4. The Confidential Appendices shall be filed in Court of King's Bench of Alberta Action Number 2301-04941 and shall immediately be sealed by the Clerk of the Court, kept confidential and not form part of the public record, and not be available for public inspection until the earlier of: (i) completion of the sale of the real property of Westmount over which the Receiver is appointed; (ii) February 28, 2024; or (iii) as otherwise ordered by this Court, after application brought upon seven days' notice to all interested parties, whereupon the Clerk of the Court shall remove the Confidential Appendices from the sealed envelope referred to below and place the Confidential Appendices on the public record. The Confidential Appendices shall be sealed and filed in an envelope containing the following statement thereon:

THIS ENVELOPE CONTAINS CONFIDENTIAL APPENDICES TO THE SECOND REPORT OF DELOITTE RESTRUCTURING INC. AS THE COURT-APPOINTED RECEIVER AND MANAGER OF CERTAIN PROPERTIES OF WESTMOUNT PROJECTS INC., WHICH SHALL BE SEALED UNTIL: (I) COMPLETION OF THE SALE OF THE REAL PROPERTY OF WESTMOUNT PROPERTIES INC. OVER WHICH THE RECEIVER IS APPOINTED; (II) FEBRUARY 28, 2024; OR (III) AS OTHERWISE ORDERED BY THIS COURT, AFTER APPLICATION BROUGHT UPON SEVEN DAYS' NOTICE TO ALL INTERESTED PARTIES AND IS NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICLY ACCESSIBLE EXCEPT IN ACCORDANCE WITH THE FOREGOING PROVISIONS.



Justice of the Court of King's Bench of Alberta

APPENDIX "B"

Clerk's Stamp:



COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>ORDER – CALGARY PROPERTY</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15th Floor, 850 - 2nd Street S.W. Calgary, Alberta T2P 0R8 Attention: Derek Pontin Ph. (403) 268-6301 Fx. (403) 268-3100 File No.: 569588-14
DATE ON WHICH ORDER WAS PRONOUNCED:	August 4, 2023
LOCATION WHERE ORDER WAS PRONOUNCED:	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	The Honourable Justice Yamauchi

UPON the application of Deloitte Restructuring Inc., in its capacity as Court-appointed receiver and manager (“**Receiver**”) pursuant to three Orders of the Honourable Justice Lema pronounced on May 15, 2023 in these proceedings (the “**Receivership Orders**”); **AND UPON** reading the Second Report of the Receiver in respect of Westmount Projects Inc. (“**Westmount**”) dated July 10, 2023 (the “**Second Report**”) and the confidential appendices thereto, the Supplemental Report to the Second Report dated July 31, 2023 (the “**Supplemental Report**”), and the written submissions of the Receiver; **AND UPON** reading the Affidavit of Gordon D. Anderson sworn/affirmed on July 26, 2023, the Affidavit of Chris Zaharko sworn/affirmed on July 26, 2023, the Affidavit of Gordon D. Anderson sworn August 2, 2023, the Submissions by Gordon D. Anderson and Anderson & Associates Financial Corp. (collectively, “**Anderson**”) dated July 26, 2023, and the Written Submissions of Anderson dated August 2, 2023; **AND UPON** reading the Affidavits of Service of Terry Trojanoski sworn August 2, 2023; **AND UPON** noting the attendance of or hearing from counsel for the Receiver, counsel for Bank of Montreal, counsel for Anderson, counsel for Westmount Projects Inc., 2218923 Alberta Ltd., and 1975847 Alberta Ltd., counsel

for the Canada Revenue Agency, counsel for Deni Mario Daniel Echino, and counsel for Horizon Capital Corporation;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient and this application is properly returnable today.
2. The Listing Agreement between the Receiver and Avison Young Commercial Real Estate Services, LP (the "**Listing Agent**") attached to the Supplemental Report as Appendix B (the "**Listing Agreement**") is hereby approved.
3. The execution and delivery of the Listing Agreement by the Receiver, with such minor amendments as the Receiver may deem necessary, is approved and the Receiver is authorized, empowered and directed to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the Listing Agreement.
4. The Sales Process and the Sales Procedure substantially in the form attached hereto as Schedule "A", are hereby approved and the Receiver is authorized and directed to carry out the Sales Process in accordance with the Sales Procedure and this Order. The Receiver is also hereby authorized and directed to take such steps as it considers necessary or appropriate in carrying out each of its obligations under the Sales Process, subject to approval of this Court being obtained before the completion of any transaction(s) resulting from the Sales Process.
5. The Receiver and Listing Agent, and their respective affiliates, partners, directors, employees, advisors, agents, legal counsel, shareholders and controlling persons shall have no liability with respect to any losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of the Sales Process or the conduct thereof, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of any of the foregoing.
6. Service of this order shall be effected on those parties to the service list for the within proceedings and the need for any further service of this order is hereby dispensed with.
7. This Order is without prejudice to any application that may be brought seeking approval of an alternative sale process.



Justice of the Court of King's Bench of Alberta

"Schedule A"

SALE PROCESS – CALGARY PROPERTIES

INTRODUCTION

1. On May 15, 2023, the Honourable Justice Lema in Alberta Court of King's Bench (the "**Court**") Action No. 2301-04941 (the "**Receivership Proceedings**") granted orders (collectively, the "**Receivership Orders**"), appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver and manager ("**Receiver**") of certain assets, property, and undertakings of Westmount Projects Inc. ("**Westmount**", or the "**Debtor**"), including the real property listed in Appendix 1 hereto.
2. On August 4, 2023, the Court granted, among others, an Order (the "**Sales Process Order**"), approving the listing agreement with Avison Young Commercial Real Estate Services, LP (the "**Listing Agent**") and authorizing the Receiver to conduct a sales process (the "**Sales Process**") as further described herein to market and sell the real property listed in Annex 1 hereto (the "**Calgary Property**"), subject to prior approval of the Court before any sale.
3. The Receiver intends to provide all qualified interested parties with an opportunity to participate in the Sales Process.
4. This document (the "**Sales Procedure**") outlines the Sales Process.
5. All dollar amounts expressed herein, unless otherwise noted, are in Canadian currency. Unless otherwise indicated herein, any event that occurs on a day that is not a business day in the Province of Alberta (each, a "**Business Day**") shall be deemed to occur on the next Business Day. All references to time shall be to the current time in Calgary, Alberta. Capitalized terms not otherwise defined in this Sales Procedure have the meanings set forth in the materials filed by the Receiver in support of the Sales Process or the Reports of the Receiver.

OPPORTUNITY

6. The Sales Process is intended to solicit interest in, and opportunities for, a sale of the Calgary Property (the "**Opportunity**"). The Opportunity may include a sale of all, substantially all, or some of the Calgary Property.
7. Except to the extent otherwise set forth in a definitive sale agreement with a Successful Bidder (as defined herein), any sale of the Calgary Property will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Receiver, the Debtor, or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Debtor in and to the Calgary Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, but unless specified by the Successful Bidder and approved by the Court, subject to all leases against the Calgary Property, to the extent that the Court deems it appropriate to grant such relief and except as otherwise provided in such Court orders.

TIMELINE

8. The following table sets out the key milestones under the Sales Process:

<u>Milestone</u>	<u>Deadline</u>
Listing Agreement with Listing Agent becomes effective	August 4, 2023 (Upon Court approval)
Listing Agent publicly lists Opportunity and creates list of known potential bidders and distributes Teaser Letters and Confidentiality Agreements to known potential bidders	August 10, 2023
Receiver to prepare and have available for potential bidders a data room	August 10, 2023
Bid Deadline	September 11, 2023
Transaction Approval Application Hearing	October 2, 2023 (depending on Court availability)
Closing Date Deadline	October 31, 2023

9. The dates set out in the Sales Procedure may be extended by the Receiver.

SOLICITATION OF INTEREST: NOTICE OF THE SALES PROCESS

10. As soon as reasonably practicable, but in any event by no later than July 26, 2023:

- (a) the Listing Agent will prepare a list of Potential Bidders (as defined herein), including:
 - (i) parties that have approached the Receiver indicating an interest in the Opportunity; and
 - (ii) parties who the Listing Agent believes may be interested in purchasing all or part of the Calgary Property pursuant to the Sales Process,
 (collectively, "**Known Potential Bidders**");
- (b) the Receiver will arrange for a notice of the Sales Process (and such other relevant information that the Receiver considers appropriate) (the "**Notice**") to be published in The Globe and Mail (National Edition) and the Calgary Herald and any other industry publication, website, newspaper or journal as the Receiver consider appropriate, if any;
- (c) the Listing Agent will list the Calgary Property on such websites or public listing services as it deems appropriate;
- (d) the Receiver will prepare:

- (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the Sales Process and inviting recipients of the Teaser Letter to express their interest pursuant to the Sales Process; and
 - (ii) a confidentiality agreement in form and substance satisfactory to the Receiver and its counsel (a "**Confidentiality Agreement**").
11. The Listing Agent shall send the Teaser Letter and Confidentiality Agreement to each Known Potential Bidder by no later than August 10, 2023 and to any other party who requests a copy of the Teaser Letter and Confidentiality Agreement or who is identified to the Listing Agent or the Receiver as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

BIDDING

Qualified Bidders

12. Any party who wishes to participate in the Sales Process (each, a "**Potential Bidder**") must deliver to the Receiver, unless the Receiver confirms to such Potential Bidder that the below documents were already provided to the satisfaction of, or are already available to, the Receiver (collectively, the "**Qualifying Information**"):
- (a) an executed Confidentiality Agreement that shall inure to the benefit of any purchaser of the Calgary Property, or any portion thereof;
 - (b) a letter setting forth the Potential Bidder's (i) identity, (ii) contact information and (iii) full disclosure of its direct and indirect principals; and
 - (c) a form of financial disclosure and credit quality support or enhancement that allows the Receiver to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a Bid (as defined herein).
13. If the Receiver determines that a Potential Bidder has:
- (a) delivered the Qualifying Information; and
 - (b) the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale pursuant to the Sales Process,
- then such Potential Bidder will be deemed to be a "**Qualified Bidder**". For greater certainty, no Potential Bidder shall be deemed to be a Qualified Bidder without the approval of the Receiver.
14. At any time during the Sales Process, the Receiver may, in its reasonable business judgment eliminate a Qualified Bidder from the Sales Process, in which case such bidder will be eliminated from the Sales Process, will no longer be a Qualified Bidder for the purposes of this Sales Process, and shall have no further recourse as against the Receiver.
15. The Receiver, with the assistance of the Listing Agent, shall prepare a data room with additional information considered relevant to the Opportunity. The Receiver, the Listing Agent, and their

respective advisors make no representation or warranty as to the information made available pursuant to the Sales Process.

16. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Calgary Property in connection with their participation in the Sales Process and any transaction they enter into with the Receiver.

Due Diligence

17. The Receiver, shall, in its reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence material and information relating to the Calgary Property as they deem appropriate. Due diligence access may include management presentations, access to electronic data rooms, on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Receiver, in its reasonable business judgment, may agree.
18. The Receiver shall designate a representative to coordinate all reasonable requests for additional information and due diligence access from Qualified Bidders and the manner in which such requests must be communicated. The Receiver shall not be obligated to furnish any information relating to the Calgary Property or Debtor to any person other than to Qualified Bidders.

Formal Binding Offers

19. Qualified Bidders that wish to make a formal offer to purchase the Calgary Property, or a portion of it, shall submit a binding offer (a "**Bid**") that complies with all of the following requirements to the Receiver at the address specified in Annex 2 hereto (including by e-mail), so as to be received by them not later than 3:00 PM MT (Calgary Time) on September 11, 2023 (the "**Bid Deadline**"):
 - (a) the Bid (either individually or in combination with other Bids that make up one Bid) is an offer to purchase the Calgary Property (or a portion of it) and is consistent with any necessary terms and conditions established by the Receiver and communicated to Qualified Bidders;
 - (b) the Bid includes a letter stating that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined herein), provided that if such Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
 - (c) the Bid includes duly authorized and executed transaction agreements, including the purchase price and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto;
 - (d) the Bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction that will allow the Receiver to make a determination as to the Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
 - (e) the Bid is not conditioned on (i) the outcome of unperformed due diligence by the Qualified Bidder; or (ii) obtaining financing;

- (f) the Bid includes an allocation of the purchase price among any property purchased;
- (g) the Bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such Bid;
- (h) the bid includes a commitment by the Qualified Bidder to provide a non-refundable deposit in the form of a wire transfer to a trust account specified by the Receiver (a "**Deposit**") in the amount of not less than 10% of the Purchase Price offered upon the Qualified Bidder being selected as the Successful Bidder;
- (i) the Bid includes acknowledgements and representations of the Qualified Bidder that the Qualified Bidder:
 - (i) has had an opportunity to conduct any and all due diligence regarding the Calgary Property and the Debtor prior to making its offer;
 - (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Calgary Property in making its Bid; and
 - (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Calgary Property or the Debtor or the completeness of any information provided in connection therewith;
- (j) the Bid is received by the Bid Deadline; and
- (k) the Bid contemplates closing the transaction set out therein on or before October 19, 2023.

Assessment and Evaluation of Bids

- 20. If the Receiver is not satisfied with the number or terms of the Bids, the Receiver may, elect to (i) extend the Bid Deadline or (ii) seek Court approval to formally amend the Sales Process.
- 21. The Receiver may aggregate separate Bids from unaffiliated Qualified Bidders to create one Bid.
- 22. The Receiver will evaluate Bids based upon several factors including, without limitation:
 - (a) the Purchase Price and the net value provided by such Bid;
 - (b) the identity, circumstances and ability of the Qualified Bidder to successfully complete such transactions;
 - (c) the proposed transaction documents;
 - (d) factors affecting the speed, certainty and value of the transaction;
 - (e) the Calgary Property included or excluded from the bid;

- (f) encumbrances or interests in the Calgary Property proposed to be excluded or disclaimed;
- (g) an related closing costs; and
- (h) the likelihood and timing of consummating such transaction.

Selection of Successful Bid

23. The Receiver will:
- (a) review and evaluate each Bid, provided that each Bid may be negotiated by the Receiver and the applicable Qualified Bidder, and may be amended, modified or varied to improve such Bid as a result of such negotiations; and
 - (b) identify the highest or otherwise best Bid or Bids (the "**Successful Bid**", and the Qualified Bidder making such Successful Bid, the "**Successful Bidder**") for any particular Calgary Property in whole or part. The determination of any Successful Bid by the Receiver shall be subject to approval by the Court.
24. The Receiver shall have no obligation to enter into a Successful Bid, and it reserves the right to reject any or all Bids.

If One or More Bids

25. If the Receiver determines, in its reasonable discretion, that one or more of the Bids are similar in terms of purchase price to the benefit of the Debtor and its stakeholders, the Receiver may provide the parties making such Bids the opportunity to make further bids by way of submitting a best and final offer, without conditions and subject only to Court approval, to the Receiver by a date set by the Receiver.
26. The Receiver shall select the winning bid (the "**Winning Bid**"). Once a definitive agreement has been negotiated and settled in respect of the Winning Bid as selected by the Receiver (the "**Selected Superior Offer**") in accordance with the provisions hereof, the Selected Superior Offer shall be the "Successful Bid" hereunder and the person(s) who made the Selected Superior Offer shall be the "Successful Bidder" hereunder.

Transaction Approval Application Hearing

27. At the hearing of the application to approve any transaction with a Successful Bidder (the "**Transaction Approval Application**"), the Receiver shall seek, among other things, approval from the Court to consummate any Successful Bid. All the Bids other than the Successful Bid, if any, shall be deemed to be rejected by the Receiver on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

28. All discussions regarding a Bid shall be directed through the Receiver or the Listing Agent. Under no circumstances should the management of the Debtor be contacted directly without the prior

consent of the Receiver. Any such unauthorized contact or communication could result in exclusion of the interested party from the Sales Process.

29. Participants and prospective participants in the Sales Process shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Qualified Bidders, Bids, the details of any Bids submitted or the details of any confidential discussions or correspondence between the Debtor, the Receiver, the Listing Agent and such other bidders or Potential Bidders in connection with the Sales Process, except to the extent the Receiver, with the consent of the applicable participants, is seeking to combine separate bids from Qualified Bidders.
30. The Receiver may consult with any other parties with a material interest in the Receivership Proceedings regarding the status of and material information and developments relating to the Sales Procedure to the extent considered appropriate by the Receiver (subject to paragraph 29 and taking into account, among other things, whether any particular party is a Potential Bidder, Qualified Bidder or other participant or prospective participant in the Sales Process or involved in a Bid), provided that such parties shall have entered into confidentiality arrangements satisfactory to the Receiver.

Deposits

31. All Deposits shall be retained by the Receiver in a non-interest-bearing trust account located at financial institution in Canada. The Receiver may waive the requirement of a Deposit if it believes sufficient security or certainty has been provided by a Qualified Bidder, including by way of a credit bid.
32. If there is a Bid that constitutes a Successful Bid, the Deposit paid by the Successful Bidder shall be applied to the consideration to be paid upon closing of the transaction constituting the Successful Bid.
33. The Deposit(s) from all Qualified Bidders submitting Bids that do not constitute a Successful Bid shall be returned to such Qualified Bidder within ten (10) Business Days of the earlier of (i) the date that the Receiver selects a Successful Bid pursuant to section 23 hereof or (ii) the Court declares a Successful Bid pursuant to section 23 hereof.
34. If the Qualified Bidder making a Bid is selected as the Successful Bid and breaches or defaults on its obligation to close the transaction in respect of its Successful Bid, it shall forfeit its Deposit to the Receiver for and on behalf of the Debtor; provided however that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Receiver have in respect of such breach or default.
35. If the Receiver is unable to complete the Successful Bid as a result of its own actions or the failure of a condition in the Successful Bid in favour of a the Successful Bidder to be satisfied, in each case other than by reason of the actions or inactions of the Successful Bidder, then the Deposit shall be returned to the Successful Bidder.

Supervision of the Sales Process

36. The Receiver shall oversee the conduct of the Sales Process in all respects. Without limitation to that supervisory role, the Receiver shall participate in the Sales Process in the manner set out in

this Sales Procedure, the Sales Process Order, and any other order of the Court, and is entitled to receive all information in relation to the Sales Process. For the avoidance of doubt, the completion of any Bid shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

37. The Receiver may waive compliance with any one or more of the requirements of this Sales Process, including, for greater certainty, waive strict compliance with any one or more of the requirements specified in this Sale Procedure and deem a non-compliant Bid to be a compliant Bid and extend such timelines or deadlines as it deems appropriate.
38. This Sales Process does not, and shall not be interpreted to, create any contractual or other legal relationship between the Debtor or the Receiver and any Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with the Receiver.
39. Without limiting the preceding paragraph, the Receiver and Listing Agent, and their respective agents and advisors, shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Qualified Bidder, the Successful Bidder, the Debtor, or any other creditor or other stakeholder of the Debtor, for any act or omission related to the process contemplated by this Sales Procedure, except to the extent such act or omission is the result from gross negligence or willful misconduct of the Receiver, Listing Agent, or their respective agent and advisors. By submitting a bid, each Potential Bidder, Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Receiver, Listing Agent, or their respective agents and advisors for any reason whatsoever, except to the extent that such claim is the result of gross negligence or willful misconduct of the Receiver, Listing Agent, or their respective agents and advisors.
40. Participants in the Sales Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.
41. Subject to the terms of the Sales Process Order, the Receiver shall have the right to modify the Sales Process if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the Sales Process; provided that the service list in the Receivership Proceedings shall be advised of any substantive modification to the procedures set forth herein.
42. In order to discharge its duties in connection with the Sales Process the Receiver may engage professional or business advisors or agents as the Receiver deems fit in its sole discretion. Without limiting the foregoing, the Receiver shall be permitted, but not obligated, to consult with the Listing Agent in respect of any aspect of the Sales Process and the steps contemplated in this Sales Procedure.

Further Orders

43. At any time during the Sales Process the Receiver may apply to the Court for advice and directions with respect to the discharge of their powers and duties hereunder, if any.

ANNEX 1

	<u>Legal Description</u>	<u>Municipal Description</u>
Real property of Westmount:		
	PLAN B1 BLOCK 35 LOT 12	303 23 rd Ave SW, Calgary, Alberta
	PLAN 4479P BLOCK 9 LOTS 18 TO 20 INCLUSIVE	1538 27 th Ave SW, Calgary, Alberta
	<p>CONDOMINIUM PLAN 2011798 UNIT 1 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS - and - CONDOMINIUM PLAN 2011798 UNIT 2 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS - and - CONDOMINIUM PLAN 2011798 UNIT 3 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS - and - CONDOMINIUM PLAN 2011798 UNIT 4 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS</p>	#1, 2617-12 Avenue SE and #1,2,3, 2615-12 Avenue SE

ANNEX 2

APPENDIX "C"

ASSET PURCHASE AGREEMENT

November 13, 2023

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION	3
1.1 Definitions	3
1.2 Interpretation	9
1.3 Interpretation if Closing Does Not Occur	9
1.4 Schedules	9
ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS	10
2.1 Agreement of Purchase and Sale	10
2.2 Transfer of Purchased Assets	10
2.3 Assumption of Environmental Liabilities	10
ARTICLE 3 PURCHASE PRICE	10
3.1 Purchase Price	10
3.2 Deposit	10
3.3 Payment of the Purchase Price	11
3.4 Adjustments	11
3.5 GST	13
3.6 No Right to Reduction in Purchase Price	13
ARTICLE 4 REPRESENTATIONS AND WARRANTIES	13
4.1 Purchaser's Representations and Warranties	13
4.2 No Representations and Warranties by the Vendor	14
ARTICLE 5 COVENANTS	16
5.1 Leases, Licences and Third Party Consents	16
5.2 Court Approval	17
5.3 Environmental Matters	18
5.4 Title and Conveyance	18
5.5 Real Estate Commissions	18
ARTICLE 6 CONDITIONS	19
6.1 Mutual Conditions	19
6.2 Conditions for the Benefit of the Purchaser	19
6.3 Conditions for the Benefit of the Vendor	19
6.4 Satisfaction of Conditions	20
ARTICLE 7 CLOSING	20
7.1 Closing Date and Place of Closing	20

7.2	Deliveries on Closing by the Vendor	20
7.3	Deliveries on Closing by the Purchaser	21
7.4	Risk and Insurance.....	21
7.5	Title Insurance	22
7.6	Possession	22
7.7	Court Approval.....	22
7.8	Registration Fees	22
ARTICLE 8 INDEMNITY.....		22
8.1	Indemnification Given by Purchaser.....	22
8.2	Third Party Claims.....	23
8.3	Failure to Give Timely Notice	23
8.4	No Merger.....	24
ARTICLE 9 TERMINATION		24
9.1	Grounds for Termination	24
9.2	Effect of Termination	24
ARTICLE 10 MISCELLANEOUS.....		24
10.1	Public Announcements.....	24
10.2	Obligations to Survive	24
10.3	Governing Law	24
10.4	Damages	25
10.5	Further Assurances	25
10.6	No Assignment by Purchaser.....	25
10.7	Waiver	25
10.8	Amendment.....	25
10.9	Time of the Essence.....	25
10.10	Costs and Expenses	25
10.11	Notices.....	26
10.12	Enurement.....	26
10.13	Third Party Beneficiaries	27
10.14	Severability	27
10.15	Entire Agreement	27
10.16	Condominium Property Act	27
10.17	Counterparts / Electronic Transmission	27

ASSET PURCHASE

AGREEMENT THIS AGREEMENT is dated November 13, 2023

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as Court appointed receiver and manager of certain of the assets of Westmount Projects Inc. (the "**Debtor**"), and not in its personal or corporate capacity

(the "**Vendor**" or "**Receiver**")

- and -

MAINSTREET EQUITY CORP., a corporation pursuant to the laws of Alberta

(the "**Purchaser**")

WHEREAS:

- A. Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), the Alberta Court of King's Bench (the "**Court**") granted a Receivership Order, appointing Deloitte Restructuring Inc. as receiver and manager over certain of the Debtor's property (the "**Property**"), on May 15, 2023 (the "**Receivership Order**");
- B. The Receivership Order authorizes and empowers the Receiver to undertake any process to market and sell the Property, subject to approval by the Court where, among other things, the transaction exceeds certain monetary thresholds;
- C. The Receiver, in its capacity as the Vendor, has agreed to sell, transfer and assign to the Purchaser, and the Purchaser has agreed to purchase, all of the Purchased Assets (as defined herein), on the terms and conditions set forth in this Agreement;

NOW THEREFORE this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) "**Acceptance Date**" means the date the Parties execute and deliver this Agreement, which shall be the first date above written herein;
- (b) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "**control**" as used in the preceding sentence means the

possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than fifty (50%) of the voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;

- (c) **"Agreement"** means this asset purchase agreement and any Schedules attached hereto;
- (d) **"Applicable Law"** means, in respect of any person, assets, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licences, approvals and authorizations, which are applicable to such person, asset, transaction, event or circumstance;
- (e) **"BIA"** has the meaning ascribed to that term in the recitals hereof;
- (f) **"Business Day"** means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;
- (g) **"Claim"** means any right or claim of any person that may be asserted or made in whole or in part against the Debtor and its directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;
- (h) **"Closing"** means the completion of the purchase by the Purchaser and sale by the Vendor of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (i) “**Closing Date**” means the date that is fifteen (15) Business Days following the satisfaction or waiver of all of the conditions set forth in ARTICLE 6 hereof (or such other Business Day as the Parties may agree in writing);
- (j) “**Court**” has the meaning ascribed to that term in the recitals hereof;
- (k) “**Court Approval**” means the approval of the Transaction by the Court pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Parties;
- (l) “**Debtor**” has the meaning ascribed to that term in the recitals hereof;
- (m) “**Deposit**” has the meaning ascribed to that term in Section 3.2 hereof;
- (n) “**Effective Time**” means 12:01 a.m. (Calgary time) on the Closing Date;
- (o) “**Encumbrance**” or “**Encumbrances**” means any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order; (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and (c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta) or *Prompt Payment and Construction Lien Act* (Alberta), but, notwithstanding any of the foregoing, excluding any Permitted Encumbrances; ;
- (p) “**Environment**” means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;
- (q) “**Environmental Liabilities**” means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to or affect the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:
 - (i) transportation, storage, use or disposal of toxic or hazardous substances;
 - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
 - (iii) pollution or contamination of or damage to the Environment;

including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal

injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;

- (r) “**Final Statement of Adjustments**” has the meaning ascribed to that term in Section 3.4 hereof;
- (s) “**GAAP**” means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;
- (t) “**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Transaction;
- (u) “**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;
- (v) “**GST**” means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and “**GST Legislation**” means such act and regulations collectively;
- (w) “**Income Tax Act**” means, collectively, the *Income Tax Act*, RSC 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, RSC 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;
- (x) “**Interim Statement of Adjustments**” has the meaning ascribed to that term in Section 3.4 hereof;
- (y) “**Lands**” means the real property legally described in Schedule “A” hereto, together with all easements, rights-of-way and interest appurtenant thereto, including all buildings, fixtures and improvements located thereupon;
- (z) “**Leases**” means the Vendor’s Interest, if any, in the leasing and financing agreements set forth in Schedule “C” hereto;
- (aa) “**Legal Proceeding**” means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (bb) “**Losses**” means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and

reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

- (cc) **"Notice Period"** has the meaning ascribed to that term in Section 8.2(b) hereof;
- (dd) **"Parties"** means, collectively, the Purchaser and the Vendor, and **"Party"** means any one of them;
- (ee) **"Permitted Encumbrances"** means those Encumbrances set out in Schedule "B" hereto;
- (ff) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (gg) **"Prime Rate"** means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of Bank of Montreal as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such institution, from time to time, as its prime rate, provided that whenever such institution announces a change in such reference rate, then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;
- (hh) **"Property"** has the meaning ascribed to that term in the recitals hereof;
- (ii) **"Purchased Assets"** means all of the Vendor's Interest in and to:
 - (i) the Lands, including all buildings, fixtures and improvements located or attached thereupon; and
 - (ii) the unattached goods, chattels, personal property, equipment, machinery and inventory, if any, located upon and appurtenant to the Lands, including as used in connection with the Lands and any commercial operations carried on upon the Lands, further including, without limitation, those assets set out in Schedule "D" hereto,

EXCEPTING THEREOUT those items described in Schedule "E" hereto, if any, and all assets that are not owned or controlled by the Vendor or the Debtor;

- (jj) **"Purchase Price"** has the meaning ascribed to that term in Section 3.1 hereof;
- (kk) **"Purchaser's Conditions"** means the conditions set forth in Section 6.2 hereof;
- (ll) **"Purchaser's Solicitor"** means WBA Law LLP attention: Joseph B Amantea;
- (mm) **"Sale Approval and Vesting Order"** means an Order of the Court approving the Transaction and providing for vesting of the Purchased Assets in the Purchaser, substantially in the form attached as Schedule "F" to this Agreement;
- (nn) **"Receiver"** means Deloitte Restructuring Inc., in its capacity as the receiver and manager of the Debtor and not in its personal or corporate capacity;

- (oo) **"Receivership Proceedings"** means the proceedings where the Receiver was appointed, namely Alberta Court of King's Bench Action No. 2301-04941;
- (pp) **"Receivership Order"** has the meaning ascribed to that term in the recitals hereof;
- (qq) **"Representative"** means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of such person and its Affiliates, and with respect to the Vendor, includes the Receiver and its respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;
- (rr) **"Tax Legislation"** means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;
- (ss) **"Tax"** or **"Taxes"** means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;
- (tt) **"Third Party"** means any person who is not a Party, Affiliate or Representative;
- (uu) **"Third Party Claim"** means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible for pursuant to this Agreement;
- (vv) **"Time of Closing"** means 12:00 pm (Calgary, Alberta time) on the Closing Date, or such other date and time as the Parties may agree in writing that the Closing shall take place;
- (ww) **"Transaction"** means the transaction for the purchase and sale of the Purchased Assets and all of the auxiliary or related transactions contemplated in this Agreement;
- (xx) **"Vendor's Conditions"** means the conditions set forth in Section 6.3 hereof;
- (yy) **"Vendor's Interest"** means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor in such asset, undertaking or property; and
- (zz) **"Vendor's Solicitors"** means Dentons Canada LLP, attention: Derek Pontin, John Regush and Kurt Frederick.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

1.3 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

1.4 Schedules

The following schedules attached to this Agreement form an integral part of this Agreement:

- Schedule "A" - Description of Lands
- Schedule "B" - Permitted Encumbrances
- Schedule "C" - Leases

- Schedule "D" - Included Assets
- Schedule "E" - Excluded Assets
- Schedule "F" - Sale Approval and Vesting Order

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances.

2.2 Transfer of Purchased Assets

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

2.3 Assumption of Environmental Liabilities

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in this Agreement, and the absolute release of the Debtor and Vendor of all and any responsibility or liability therefor.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be [REDACTED] (the "Purchase Price") as adjusted pursuant to Section 3.4 hereof.

3.2 Deposit

- (a) The Purchaser shall pay to the Vendor, within two (2) Business Days after the Acceptance Date, a deposit in the amount of \$ [REDACTED] (the "Deposit") by certified cheque, bank draft or electronic wire transfer, which Deposit will form a part of the Purchase Price at Closing.
- (b) The Deposit will be held in trust by the Vendor or its legal counsel in a trust account for and on behalf of the Vendor, and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing.
- (c) If all conditions pursuant to Sections 6.1, 6.2 and 6.3 hereof cannot be satisfied or waived by all Parties to whom such conditions apply within 180 days of the Acceptance Date, then

the Deposit shall be returned to the Purchaser upon written request and this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement, except as otherwise expressly stated herein and subject to any Applicable Laws.

- (d) If Closing does not occur following the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1, 6.2 and 6.3 hereof for any reason other than as a result of default or breach by the Purchaser hereunder, then the Deposit shall be returned to the Purchaser upon written request.
- (e) Notwithstanding the foregoing or anything to the contrary contained herein, if Closing does not occur as a result of any default or breach by the Purchaser under this Agreement, then the Parties hereby acknowledge and agree that the Vendor shall be entitled to retain the Deposit, and the full amount of the Deposit shall be forfeited to the Vendor. In such case, this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement, except as otherwise expressly stated herein and subject to any Applicable Laws. Without limiting the generality of the foregoing, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses as a result of Closing not occurring, and further agree that the Vendor shall be entitled to seek all remedies and recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring, including, without limitation, legal fees and disbursements on a solicitor-client full indemnity basis. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.
- (f) The disbursement of the Deposit, as agreed to in this Section 3.2(e), shall not prevent the Vendor from pursuing remedies herein.

3.3 Payment of the Purchase Price

The Purchaser shall pay to the Vendor at Closing, by electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments (including applicable GST), less the Deposit, subject to the provisions of Section 3.4 below.

3.4 Adjustments

- (a) Subject to Section 3.4(c) below, all adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement levies and assessments, municipal charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including, without limitation, rents and deposits, prepaid rent, maintenance fees, condominium contributions, development, capital and operating costs, advances and payments with respect to Permitted Encumbrances, the Vendor's share of any proceeds of insurance on account of damage to the Property occurring on or after the date hereof and not applied as of Closing on account of the cost of repair, and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time, on and subject to the following:

- (i) except as otherwise provided in this Section 3.4, costs and revenues shall accrue in accordance with GAAP;
 - (ii) all such costs and revenues accruing up to the Effective Time shall be for the Vendor's account, and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;
 - (iii) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the Vendor's account, and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;
 - (iv) there shall not be any adjustment on account of income taxes;
 - (v) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Transaction;
 - (vi) notwithstanding the foregoing and anything to the contrary herein, the Vendor and the Purchaser hereby acknowledge and agree that the condominium contributions outstanding in respect of the Property shall be adjusted as a credit in favour of the Purchaser in the Interim Statement of Adjustments hereunder as of the Effective Time; provided, however, that neither the Vendor nor the Receiver shall be responsible or held liable for any estoppel certificate(s) evidencing the payment of any or all condominium contributions that are or may be the Vendor's obligation to pay respecting the Property.
- (b) The Vendor shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made as of the Closing Date pursuant to this Section 3.4 (the "**Interim Statement of Adjustments**"), which Interim Statement of Adjustments shall be deemed to be final and binding upon the Parties unless otherwise readjusted pursuant to Section 3.4(c) below.
- (c) If applicable or deemed necessary, a Party may carry out a final accounting and adjustment and prepare and deliver to the other Party a statement setting forth all readjustments respecting any errors, omissions or estimates in the Interim Statement of Adjustments, which readjustment shall be made pursuant to this Section 3.4 no later than thirty (30) days following the Closing Date (the "**Final Statement of Adjustments**").
- (d) The Parties shall execute and deliver on the Closing Date a mutual undertaking to readjust, and all adjustments or readjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to the provisions of this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment or readjustment which remains unpaid by one Party to another Party thirty (30) days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

3.5 GST

The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to the Vendor the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid, provided that the Purchaser provides the Vendor with its GST number, indemnifies the Vendor with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless the Vendor from any GST, and related penalty, interest and other amounts which may be payable by or assessed against the Vendor under the GST Legislation as a result of or in connection with the subject transaction or the Vendor's failure to collect and remit the GST applicable on the sale of the Purchased Assets to the Purchaser. Without limiting the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser shall, at Closing, provide the Vendor with a certificate of the Purchaser (the "**GST Certificate**") which shall include therein:

- (a) the GST registration number of the Purchaser;
- (b) an undertaking by the Purchaser to report and remit the GST, and claim any input tax credit applicable to the Transaction; and
- (c) an indemnity whereby the Purchaser shall indemnify the Vendor from and against any GST related liabilities in connection with, resulting from, or arising out of the Purchased Assets or any aspect of this Transaction.

3.6 No Right to Reduction in Purchase Price

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any set-off, abatement or reduction in the Purchase Price as a result of, arising from or in connection with any claim against the Debtor or the Vendor, including in respect of any deficiency or allegation of deficiency in respect of the Purchased Assets, including, without limitation, any Environmental Liability or deficiency or title deficiency.

3.7 Allocation of Purchase Price

The allocation of the Purchase Price set out in Schedule "G" attached hereto is hereby agreed to by the Vendor and the Purchaser, and as and from the Closing the Parties agree to cause their books and records of account and all governmental returns, representations and other submissions to any Governmental Authority to represent and reflect the fact and accuracy of such allocation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor that, as of the date of this Agreement or such other date as may be specified:

- (a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

- (b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;
- (c) provided that Court Approval is obtained, the execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Transaction;
- (d) provided that Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by the Purchaser under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;
- (e) the Purchaser is acquiring the Purchased Assets in its capacity as a principal and is not purchasing the Purchased Assets as agent or representative of any third party;
- (f) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (g) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Transaction; and
- (h) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* (Canada), nor a non-resident for the purposes of the *Income Tax Act*, nor a non-Canadian within the meaning of the *Purchase of Residential Property by Non-Canadians Act* (Canada) and the regulations thereunder.

4.2 **No Representations and Warranties by the Vendor**

- (a) Neither the Vendor nor any of its Representatives makes any representations or warranties, and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and neither the Vendor nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or any of its Representatives in connection with the Purchased Assets or in relation to the Transaction. For greater certainty, the Purchaser acknowledges and agrees that neither the Vendor nor any of its Representatives has made any representation, warranty, condition or covenant, express or implied, with respect to:

- (i) any data or information supplied by the Vendor or any of its Representatives in connection with the Purchased Assets;
 - (ii) the value of any of the Purchased Assets or the future cash flow therefrom;
 - (iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets for any purpose whatsoever;
 - (iv) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets; or
 - (v) compliance with, or satisfaction of, any work orders, deficiency notices, order to comply, or any other regulatory requirements with respect to the Lands, including, without limitation, pursuant to the Building Code, Fire Code or other related or similar regulations, whether environmental or otherwise, and whether imposed by law, equity or any regulatory authority.
- (b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning those descriptions.
- (c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from the Vendor or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in the above Sections 4.2(a) and 4.2(b) in connection with the purchase of the Purchased Assets pursuant to this Agreement. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an "as is, where is" basis and there are no representations, warranties, conditions, covenants or collateral obligations made in respect of the Purchased Assets except as expressly set out herein. For greater certainty, the Purchaser hereby acknowledges and agrees that it is:
- (i) familiar with the condition of the Purchased Assets;
 - (ii) relying on its own inspections and reviews in all respects; and
 - (iii) not relying upon any representations or warranties of the Vendor as to the condition of the Purchased Assets or compliance thereof with any regulations imposed by law, equity or any regulatory or Governmental Authority.
- (d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor and its Representatives in respect of the Purchased Assets or the Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

- (e) Without limiting the generality of the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser acknowledges and agrees that the Vendor shall not be required to produce any title certificate, deed, abstract, real property report or survey, compliance certificates or other evidence of title or copy thereof.

ARTICLE 5 COVENANTS

5.1 Leases, Licences and Third Party Consents

- (a) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and permits required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges and agrees that the Vendor has no obligation to transfer any Leases or permits or licences to the Purchaser, and that the Purchaser is solely responsible for obtaining consent to transfer the Leases. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:
 - (i) obtain and pay the cost of any consents, permits, licences assignments, registration fees, attorney and agent fees, filing or issue fees, legal fees, or other authorizations and assignments necessary or desirable for the transfer of such right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;
 - (ii) to obtain all Third Party consents that are required to complete the Transaction and own and operate the Purchased Assets;
 - (iii) obtain the consent to transfer the Leases, if required or as applicable; and
 - (iv) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets.

However, to the extent the Vendor is able to transfer any permits and licences to the Purchaser, the Vendor will use commercially reasonable efforts to transfer such permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

- (b) The Purchaser acknowledges and accepts that the transfers of Leases shall not be a condition precedent to Closing, and that the Purchaser may not obtain transfers of Leases at all.
- (c) With respect to any Leases which are transferred and continue beyond the Effective Time ("**Transferred Leases**"), the Purchaser acknowledges and agrees to assume, perform, observe and keep each and every covenant, obligation and condition set out in the Transferred Leases, as the new landlord on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition and status of the Transferred Leases, including the past and present management of any deposits

("Deposits") paid by the tenants ("Tenants") of the Transferred Leases, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Transferred Leases at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such opportunity) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the condition and status of the Transferred Leases, Deposits, or as to any and all existing or future claims or liabilities ("**Transferred Lease Liabilities**") with respect to same. Provided that Closing has occurred, the Purchaser shall:

- (i) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and
- (ii) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Transferred Leases. Once Closing has occurred, the Purchaser shall be solely responsible and liable for all Deposits and Transferred Lease Liabilities, both to Third Parties and as between the Vendor and the Purchaser (whether such Transferred Lease Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such Deposits, and Transferred Lease Liabilities. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Transferred Lease Liabilities or Deposit claim, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a third party to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.1(c) shall survive the Closing Date indefinitely.

5.2 Court Approval

The Vendor shall prepare all materials, and shall apply to the Court for the Court Approval as soon as reasonably practicable following the dates set forth herein. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for Court Approval may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser. The Purchaser acknowledges that the Court Approval may be delayed for any period of time as a result of Court house closure, restricted hearing access, or other circumstances outside of the control of the Vendor, and agrees that any such delays will not constitute or contribute to a Vendor's

default hereunder. The Purchaser acknowledges that there is no guarantee that the Court Approval will be granted.

5.3 Environmental Matters

The Purchaser acknowledges and accepts that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition and regulatory compliance of the Purchased Assets, including the past and present use of the Purchased Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a third party to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.3 shall survive the Closing Date indefinitely.

5.4 Title and Conveyance

The Purchaser acknowledges and agrees that on Closing, the Purchaser shall accept title to the Purchased Assets and the Lands, and such conveyance of title shall not be deemed to contain any covenant except the covenant that the Vendor has done no act to encumber the Lands with the exception of the Permitted Encumbrances set forth in this Agreement.

5.5 Real Estate Commissions

Each Party confirms that they have not retained a real estate broker or brokerage pursuant to this Agreement or in connection with this Transaction other than the Vendor's agent, Avison Young Commercial Real Estate Services LP and that each Party shall be responsible for any commissions, fees or similar payments due in respect of the services rendered to each Party by their respective real estate broker or brokerage, unless otherwise agreed to by the Parties in writing.

ARTICLE 6 CONDITIONS

6.1 Mutual Conditions

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

- (a) Court Approval shall have been granted after waiver or satisfaction of the conditions set forth in Sections 6.2 and 6.3 below and the time for any appeal shall have passed;
- (b) no injunction or other order has been issued to enjoin, restrict or prohibit the Transaction as at or prior to the Time of Closing; and
- (c) on the Closing Date, the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances, and may be waived only with the Agreement of both the Vendor and the Purchaser.

6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions (the "**Purchaser's Conditions**") having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

- (a) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing;

The foregoing Purchaser's Conditions are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

6.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions (the "**Vendor's Conditions**") being fulfilled or performed as at or prior to the Time of Closing, or such other date as may be specified:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and

effect as if made at and as of such time and the Purchaser shall have delivered to the Vendor a certificate to that effect;

- (b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and
- (c) no Party comprising the Vendor has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings.

The foregoing Vendor's conditions are for the exclusive benefit of the Vendor and may be waived by the Vendor in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have. If any of the said conditions have not been complied with or waived by the Vendor at or before the Time of Closing, the Vendor may terminate this Agreement by written notice to the Purchaser.

6.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.3 above.

ARTICLE 7 CLOSING

7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The completion of the Transaction shall take place at the Time of Closing at the offices of the Vendor's Solicitor, or at such other time or such other location as the Parties may agree in writing.

7.2 Deliveries on Closing by the Vendor

The Vendor shall deliver to the Purchaser's Solicitors, for registration at the Alberta Land Titles Office, the following documents (the "**Vendor's Closing Documents**") fully executed by the Vendor, where applicable, or such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Section 7.3 hereof:

- (a) a certified copy of the Sale Approval and Vesting Order;
- (b) an executed receiver's closing certificate, as contemplated in the Sale Approval and Vesting Order;
- (c) the Interim Statement of Adjustments, which, for greater clarity, shall be delivered prior to Closing as specified in Section 3.4(b) hereof;
- (d) a mutual undertaking to readjust all adjustments as necessary in accordance with Section 3.4 hereof;

- (e) if applicable, a bill of sale in respect of any unattached goods, chattels, personal property equipment, machinery and inventory, which are located upon and appurtenant to the Lands and forming part of the Purchased Assets;
- (f) if applicable, an assignment and assumption of any Leases, contracts, warranties, intellectual property, licences, permits, commitments and undertakings affecting or relating to the Purchased Assets;
- (g) all keys, codes, combinations and other access devices to the Purchased Assets in the Vendor's possession and control; and
- (h) such other documents and instruments as are required by this Agreement or as are reasonably requested by the Purchaser's Solicitor.

The Vendor's Closing Documents shall be in form and substance acceptable to the Parties, each acting reasonably and in good faith.

7.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver to the Vendor's Solicitor by the Time of Closing on the Closing Date the following instruments and documents (the "**Purchaser's Closing Documents**"), fully executed by the Purchaser, where applicable, or such other parties as may be specified:

- (a) the Purchase Price payable in cash by wire transfer or solicitor trust cheque to the Vendor in accordance with Section 3.3 hereof, subject to any adjustments (the "**Closing Funds**");
- (b) the GST Certificate of the Purchaser as described in Section 3.6 hereof;
- (c) a certificate of a senior officer of the Purchaser certifying that the representations and warranties of the Purchaser contained in Section 4.1 hereof are true and accurate in all material respects, and that all covenants of the Purchaser contained in this Agreement have been or will be satisfied;
- (d) a mutual undertaking to readjust all adjustments as necessary in accordance with Section 2.4 hereof;
- (e) a certified copy of a resolution of the board of directors of the Purchaser approving the Agreement and the transactions contemplated hereunder;
- (f) if applicable, those documents described in Section 7.2 above to which the Purchaser is also a party; and
- (g) such other documents and instruments as are required by this Agreement or as are reasonably requested by the Vendor's Solicitor.

The Purchaser's Closing Documents shall be in form and substance acceptable to the Parties, each acting reasonably and in good faith.

7.4 Risk and Insurance

The risk of loss of the Purchased Assets shall remain with the Vendor until Closing. Any property, liability and other insurance maintained by the Vendor shall not be transferred as of the Time of Closing, but shall remain the responsibility of the Vendor until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

7.5 Title Insurance

The Purchaser shall obtain a gap coverage endorsed policy of commercial title insurance in favour of the Purchaser, and the payment and release of the Purchase Price due to the Vendor on the Closing Date will occur on the Closing Date notwithstanding that registration of the Transfer of the Lands and any other registrations to be made at the Alberta Land Titles Office have not yet been completed. The Purchaser shall be solely responsible for the cost of obtaining such policy of title insurance, and shall provide a copy of the policy to the Vendor prior to the Closing Date.

7.6 Possession

Subject to and without limiting the provisions contained in this ARTICLE 7, possession of the Purchased Assets and the Lands shall not be granted to the Purchaser until the full Closing Funds are paid and rendered unconditionally releasable to the Vendor at the Closing Date.

7.7 Court Approval

Subject to and without restricting Sections 5.2 and 6.2(a) hereof, all commissions, fees and transfer of funds related to or pursuant to this Transaction shall be completed after the Vendor obtains Court Approval for the sale of the Purchased Assets to the Purchaser as specified in the vesting order of the Court.

7.8 Registration Fees

The Purchaser shall be responsible for all Alberta Land Titles Office registration fees and disbursements payable in connection with registration of the Transfer referred to in Section 7.2(b) above, and any other documents to be registered by or through the Purchaser or the Purchaser's Solicitor.

ARTICLE 8 INDEMNITY

8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor for; and
- (b) as a separate covenant, indemnify the Vendor and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or after the Effective Time and in respect of the indemnities specified in Section 5.3 hereof.

Without limiting the generality of the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser shall protect, indemnify and save the Vendor and its Representatives harmless from and against any and all Losses whatsoever arising or suffered by any of them as a result of any misrepresentation or breach of warranty by the Purchaser in respect of its representations and warranties in Section 4.1(h) hereof. For the purpose of this Section only, the Vendor is acting as agent or trustee on behalf of and for the benefit of each of the Representatives.

The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date and the completion or termination of this Agreement indefinitely.

8.2 Third Party Claims

- (a) If the Vendor receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than fourteen (14) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based.
- (b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than fourteen (14) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim, and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations, and has provided the Vendor with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith (including legal fees on a solicitor and its own client full indemnity basis) and any Loss suffered or incurred by the Vendor with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

A failure to give timely notice as provided in this ARTICLE 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise materially prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing by either the Vendor or the Purchaser (as applicable) if the conditions for the benefit of the Vendor or Purchaser (as applicable), or both, pursuant to the provisions of ARTICLE 6 hereof are not satisfied or waived by or on the date specified for satisfaction or waiver.

9.2 Effect of Termination

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 9.1 above, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 hereof shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2 hereof.

ARTICLE 10 MISCELLANEOUS

10.1 Public Announcements

If the Purchaser intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the Purchaser shall provide the Vendor with an advance copy of any such press release or public disclosure with sufficient time to enable the Vendor to review such press release or other public disclosure and provide any comments. The Purchaser shall not issue such press release or other public disclosure without the prior written consent of the Vendor. Nothing in this provision shall apply to the Vendor's efforts to seek and obtain Court Approval.

10.2 Obligations to Survive

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing, and shall be binding on the Parties thereafter.

10.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such

laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto.

10.4 Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

10.5 Further Assurances

Each of the Parties, from and after the date hereof, shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

10.6 No Assignment by Purchaser

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

10.7 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.8 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.9 Time of the Essence

Time is of the essence in this Agreement.

10.10 Costs and Expenses

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. No Party shall be responsible for the costs and expenses of the other Party, unless otherwise specifically set out in this Agreement or as agreed to by the Parties in writing.

10.11 Notices

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

- (a) in the case of the Vendor or the Receiver:

Deloitte Restructuring Inc.
850-2nd Street SW
Calgary, Alberta T2P0R8
Attention: Cassie Poon
Email: caspoon@deloitte.ca

and with a copy to the Vendor's Solicitor:

Dentons Canada LLP
15 Floor Bankers Court
850 – 2 Street SW
Calgary, Alberta T2P 0R8
Attention: Derek Pontin / John Regush
Email: derek.pontin@dentons.com / john.regush@dentons.com

- (b) In the case of the Purchaser:

Mainstreet Equity Corp.
305 10 Ave SE
Calgary, Alberta T2G 0W2

Attention: Bob Dhillon / Matt Medoruma

Email: bdhillon@mainst.biz / mmedoruma@mainst.biz

and with a copy to the Purchaser's Solicitor:

WBA Law LLP
1413 2nd Street SW
Calgary, Alberta T2R 0W7

Attention: Joseph B. Amantea

Email: amantea@wbalaw.ca

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

10.12 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

10.13 Third Party Beneficiaries

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.14 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

10.15 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

10.16 Condominium Property Act

The Parties acknowledge and accept that Sections 12 and 13 of the *Condominium Property Act* (Alberta) relating to sale of units by developers and rescission of purchase agreements do not, and shall not, apply to this Agreement.

10.17 Counterparts / Electronic Transmission

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart, and an electronic or digitized signature shall be deemed to have the same function as an ink signature.

10.18 Disclosure

Bob Dhillon, President and CEO of Mainstreet Equity Corp., is licensed to trade real estate in the Province of Alberta, registered with Re/Max Real Estate (Central).

[Remainder of this page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

DELOITTE RESTRUCTURING INC., in its capacity as Court appointed receiver and manager of Westmount Projects Inc., and not in its personal or corporate capacity

Per: 
Name: Cassie Poon
Title: Senior Vice- President

Mainstreet Equity Corp.

Per: 
Name: Trina Cui
Title: CFO

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

SCHEDULE "A"

DESCRIPTION OF LANDS

<u>Legal Description</u>	<u>Municipal Description</u>
Plan B1 Block 35 Lot 12	303 23 Ave SW

SCHEDULE "B"

PERMITTED ENCUMBRANCES

1. Any subsisting reservations, limitations, exceptions, provisos, qualifications and conditions, if any (including royalties, reservation of mines, and mineral rights) to title contained in Sections 61(1)(a), 61(1)(c) and 61(1)(e), 61(1)(f) and Section 62(1) of *Land Titles Act* (Alberta) as amended, replaced or restated from time to time, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in Section 61 the *Land Titles Act* (Alberta).
2. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the Lands, and other Encumbrances provided as security to a public utility or any Governmental Authority for realty taxes (including charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Property and Lands which have accrued but are not yet due and owing or, if due and owing, are adjusted for pursuant to Article 3 of this Agreement.
3. The provisions of Applicable Laws including zoning, land use, development and building restrictions, bylaws, regulations, ordinances of any Governmental Authority and similar instruments, including municipal bylaws and regulations such as airport zoning regulations, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements, and any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority.
4. Any rights of expropriation, access or use, or any other similar right conferred upon or reserved to or vested in the Crown or any Governmental Authority by or under the authority of any statute of Canada or the Province of Alberta.
5. The interests of any lessors in respect of the Leases, and any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby.
6. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser.
7. Any Encumbrances, liens or interests which are registered on title to the Property following the date of this Agreement and prior to Closing which the Purchaser has expressly agreed in writing to accept as a Permitted Encumbrance.
8. The following specific instruments registered against the title(s) to the Lands:

Nil.

SCHEDULE "C"

LEASES

Any and all leases in place with tenants of the Lands or any portion thereof as of the date of this Agreement including, but not limited to the following lease agreements:

1. Lease Agreement dated October _____, 2022, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
2. Lease Agreement dated November 7, 2022, between Westmount Projects Inc., as landlord and [REDACTED] as tenant;
3. Lease Agreement dated January 27, 2023, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
4. Lease Agreement dated July 31, 2020, between Westmount Projects Inc., as landlord and [REDACTED] as tenant;
5. Lease Agreement dated May 28, 2021, between Westmount Projects Inc., as landlord and [REDACTED], as tenant; and
6. Lease Agreement dated March 8, 2023, between Westmount Projects Inc., as landlord and [REDACTED], as tenant.

SCHEDULE "D"
INCLUDED ASSETS

Nil.

SCHEDULE "E"
EXCLUDED ASSETS

Nil.

SCHEDULE "F"

SALE APPROVAL AND VESTING ORDER

Clerk's Stamp:

COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>ORDER – APPROVING SALE AND VESTING TITLE – MAINSTREET EQUITY CORP.</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: John Regush Ph. (403) 268-7086 Fx. (403) 268-3100 File No.: 131079-104
DATE ON WHICH ORDER WAS PRONOUNCED	November [], 2023
LOCATION WHERE ORDER WAS PRONOUNCED	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER	The Honourable Justice []

UPON THE APPLICATION by Deloitte Restructuring Inc. (“**Deloitte**”) Court-appointed receiver and manager (“**Receiver**”) of certain of the assets, properties, and undertakings of Westmount Projects Inc. (“**Westmount**” or the “**Debtor**”) as more particularly described in the Receivership Order – Westmount Projects Inc. pronounced on May 15, 2023 in the within proceedings (the “**Receivership Order**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Mainstreet Equity Corp. (the “**Purchaser**”) dated November [], 2023, as appended to the Confidential Supplement to the Third Report (“**Third Report**”) of the Receiver dated November [], 2023 (the “**Confidential Supplement**”) as Appendix [], and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”);

AND UPON HAVING READ the Receivership Order, the Third Report, and Confidential Supplement; **AND UPON HEARING** submissions from counsel for the Receiver regarding service; **AND**

UPON reading or hearing read the Affidavit of _____ concerning service; **AND UPON HEARING** the submissions of counsel for the Receiver and _____

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Upon delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order;
 - (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
 - (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
 - (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:
 - (a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
 - (i) cancel existing Certificate of Title No. 171 092 524 for those lands and premises municipally described as 303 23 Ave SW Calgary, Alberta, and legally described as:

PLAN B1
BLOCK 35
LOT 12

(the "**Lands**")
 - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser, namely, Mainstreet Equity Corp. of 305 – 10th Avenue S.E. Calgary, Alberta T2G 0W2; and
 - (iii) discharge and expunge the Encumbrances listed in **Schedule "C"** to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
 - (b) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby

directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.

8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.
9. Except as expressly provided for in the Sale Agreement the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
11. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver, including but in no way limited to pursuant to the *Residential Tenancies Act*, SA 2004 c R-17.1.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser.

MISCELLANEOUS MATTERS

14. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;

- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the “**BIA**”), in respect of the Debtor and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal or provincial statute;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 15. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
- 17. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings; and
 - (b) posting a copy of this Order on the Receiver’s website for these proceedings;and service on any other person is hereby dispensed with.
- 18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King’s Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

Clerk's Stamp:

COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>RECEIVER'S CLOSING CERTIFICATE – MAINSTREET EQUITY CORP.</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: John Regush Ph. (403) 268-7086 Fx. (403) 268-3100 File No.: 569588-14

RECITALS

- A. Pursuant to an Order of the Honourable Justice Lema of the Court of Kings's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated May 15, 2023 Deloitte Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of certain of the undertakings, property and assets of Westmount Projects Inc. (the "**Debtor**"), among others.
- B. Pursuant to an Order of the Court dated November [], 2023, the Court approved the agreement of purchase and sale made as of November [], 2023 (the "**Sale Agreement**") between the Receiver and Mainstreet Equity Corp. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at **[TIME]** on **[DATE]**

DELOITTE RESTRUCTURING INC. in its capacity as Receiver of certain of the undertakings, property and assets of Westmount Projects Inc., and not in its personal or corporate capacity.

Per: _____

Name:

Title:

Schedule "B"
Purchased Assets

PLAN B1
BLOCK 35
LOT 12

(the "**Lands**") together with all easements, rights-of-way and interest appurtenant thereto, including all buildings, fixtures and improvements located thereupon, and including all buildings, fixtures and improvements located or attached thereupon.

The unattached goods, chattels, personal property, equipment, machinery and inventory, if any, located upon and appurtenant to the Lands, including as used in connection with the Lands and any commercial operations carried on upon the Lands.

EXCEPTING THEREOUT all assets that are not owned or controlled by the Receiver or the Debtor.

**Schedule "C"
Encumbrances**

<u>Registration Number</u>	<u>Date (D/M/Y)</u>	<u>Particulars</u>
931 118 234	26/05/1993	CAVEAT RE : LEASE CAVEATOR - COINAMATIC PACIFIC LTD. 3048 - 9 STREET S.E., CALGARY ALBERTA AGENT - EDWIN L WOOLLEY
171 281 187	11/12/2017	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - BANK OF MONTREAL. MORTGAGE SERVICE CENTRE 865 HARRINGTON COURT BURLINGTON ONTARIO L7N3P3 AGENT - STEPHEN KACZKOWSKI
171 281 188	11/12/2017	MORTGAGE MORTGAGEE - BANK OF MONTREAL. 101 CROWFOOT WAY NW CALGARY ALBERTA T3G2R2 ORIGINAL PRINCIPAL AMOUNT: \$1,700,000
211 095 419	13/05/2021	MORTGAGE MORTGAGEE - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3 ORIGINAL PRINCIPAL AMOUNT: \$1,200,000
211 095 420	13/05/2021	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3

		AGENT - BRANDON K HANS
231 023 849	24/01/2023	MORTGAGE MORTGAGEE - ANDERSON & ASSOCIATES FINANCIAL CORP. 2440 KENSINGTON RD NW CALGARY ALBERTA T2N3S1 ORIGINAL PRINCIPAL AMOUNT: \$1,000,000
231 178 365	08/06/2023	CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - CANADIAN WESTERN BANK. 600, 12220 STONY PLAIN ROAD EDMONTON ALBERTA T5N3Y4 AGENT - RYAN TRAINER

Schedule "D"
Permitted Encumbrances

1. Capitalized terms used in this Schedule "D" have the meanings given to them in the Sale Agreement.
2. Any subsisting reservations, limitations, exceptions, provisos, qualifications and conditions, if any (including royalties, reservation of mines, and mineral rights) to title contained in Sections 61(1)(a), 61(1)(c) and 61(1)(e), 61(1)(f) and Section 62(1) of *Land Titles Act* (Alberta) as amended, replaced or restated from time to time, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in Section 61 the *Land Titles Act* (Alberta).
3. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the Lands, and other Encumbrances provided as security to a public utility or any Governmental Authority for realty taxes (including charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Property and Lands which have accrued but are not yet due and owing or, if due and owing, are adjusted for pursuant to Article 3 of this Agreement.
4. The provisions of Applicable Laws including zoning, land use, development and building restrictions, bylaws, regulations, ordinances of any Governmental Authority and similar instruments, including municipal bylaws and regulations such as airport zoning regulations, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements, and any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority.
5. Any rights of expropriation, access or use, or any other similar right conferred upon or reserved to or vested in the Crown or any Governmental Authority by or under the authority of any statute of Canada or the Province of Alberta.
6. The interests of any lessors in respect of the Leases, and any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby.
7. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser.
8. Any Encumbrances, liens or interests which are registered on title to the Property following the date of this Agreement and prior to Closing which the Purchaser has expressly agreed in writing to accept as a Permitted Encumbrance.
9. The following specific instruments registered against the title(s) to the Lands:

Nil.

SCHEDULE "G"

ALLOCATION OF PURCHASE PRICE

APPENDIX "D"

ASSET PURCHASE AGREEMENT

November 06, 2023

TABLE OF CONTENTS

ARTICLE 1 INTERPRETATION..... 3

 1.1 Definitions 3

 1.2 Interpretation 9

 1.3 Interpretation if Closing Does Not Occur 9

 1.4 Schedules 9

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS 10

 2.1 Agreement of Purchase and Sale 10

 2.2 Transfer of Purchased Assets..... 10

 2.3 Assumption of Environmental Liabilities 10

ARTICLE 3 PURCHASE PRICE 10

 3.1 Purchase Price 10

 3.2 Deposit 10

 3.3 Payment of the Purchase Price 11

 3.4 Adjustments 11

 3.5 GST 13

 3.6 No Right to Reduction in Purchase Price 13

ARTICLE 4 REPRESENTATIONS AND WARRANTIES..... 13

 4.1 Purchaser's Representations and Warranties 13

 4.2 No Representations and Warranties by the Vendor 14

ARTICLE 5 COVENANTS..... 16

 5.1 Leases, Licences and Third Party Consents 16

 5.2 Court Approval 17

 5.3 Environmental Matters 18

 5.4 Title and Conveyance 18

 5.5 Real Estate Commissions..... 18

ARTICLE 6 CONDITIONS 19

 6.1 Mutual Conditions 19

 6.2 Conditions for the Benefit of the Purchaser 19

 6.3 Conditions for the Benefit of the Vendor 19

 6.4 Satisfaction of Conditions 20

ARTICLE 7 CLOSING 20

 7.1 Closing Date and Place of Closing 20

7.2	Deliveries on Closing by the Vendor	20
7.3	Deliveries on Closing by the Purchaser	21
7.4	Risk and Insurance	22
7.5	Title Insurance.....	22
7.6	Possession.....	22
7.7	Court Approval	22
7.8	Registration Fees.....	22
ARTICLE 8 INDEMNITY		22
8.1	Indemnification Given by Purchaser	22
8.2	Third Party Claims.....	23
8.3	Failure to Give Timely Notice.....	24
8.4	No Merger	24
ARTICLE 9 TERMINATION		24
9.1	Grounds for Termination	24
9.2	Effect of Termination	24
ARTICLE 10 MISCELLANEOUS		24
10.1	Public Announcements	24
10.2	Obligations to Survive	24
10.3	Governing Law	25
10.4	Damages.....	25
10.5	Further Assurances.....	25
10.6	No Assignment by Purchaser	25
10.7	Waiver	25
10.8	Amendment.....	25
10.9	Time of the Essence	25
10.10	Costs and Expenses	26
10.11	Notices	26
10.12	Enurement.....	27
10.13	Third Party Beneficiaries	27
10.14	Severability.....	27
10.15	Entire Agreement	27
10.16	Condominium Property Act.....	27
10.17	Counterparts / Electronic Transmission.....	27

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is dated November 6, 2023

BETWEEN:

DELOITTE RESTRUCTURING INC., in its capacity as Court appointed receiver and manager of certain of the assets of Westmount Projects Inc. (the "**Debtor**"), and not in its personal or corporate capacity

(the "**Vendor**" or "**Receiver**")

- and -

Harmani Calgary Inc., a corporation pursuant to the laws of Alberta

(the "**Purchaser**")

WHEREAS:

- A. Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), the Alberta Court of King's Bench (the "**Court**") granted a Receivership Order, appointing Deloitte Restructuring Inc. as receiver and manager over certain of the Debtor's property (the "**Property**"), on May 15, 2023 (the "**Receivership Order**");
- B. The Receivership Order authorizes and empowers the Receiver to undertake any process to market and sell the Property, subject to approval by the Court where, among other things, the transaction exceeds certain monetary thresholds;
- C. The Receiver, in its capacity as the Vendor, has agreed to sell, transfer and assign to the Purchaser, and the Purchaser has agreed to purchase, all of the Purchased Assets (as defined herein), on the terms and conditions set forth in this Agreement;

NOW THEREFORE this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each Party to the other, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) "**Acceptance Date**" means the date the Parties execute and deliver this Agreement, which shall be the first date above written herein;
- (b) "**Affiliate**" means, with respect to any person, any other person or group of persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such person. The term "**control**" as used in the preceding sentence means the

possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person whether through ownership of more than fifty (50%) of the voting securities of such person, through being the general partner or trustee of the other person, or through contract or otherwise;

- (c) **“Agreement”** means this asset purchase agreement and any Schedules attached hereto;
- (d) **“Applicable Law”** means, in respect of any person, assets, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licences, approvals and authorizations,which are applicable to such person, asset, transaction, event or circumstance;
- (e) **“BIA”** has the meaning ascribed to that term in the recitals hereof;
- (f) **“Business Day”** means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Calgary, Alberta are not open for the transaction of domestic business during normal banking hours;
- (g) **“Claim”** means any right or claim of any person that may be asserted or made in whole or in part against the Debtor and its directors, officers, employees, agents or advisors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims of any kind that, if unsecured, would be a debt provable in bankruptcy within the meaning of the BIA had the Debtor become bankrupt;
- (h) **“Closing”** means the completion of the purchase by the Purchaser and sale by the Vendor of the Purchased Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such sale, all subject to and in accordance with the terms and conditions of this Agreement;

- (i) **“Closing Date”** means the date that is fifteen (15) Business Days following the satisfaction or waiver of all of the conditions set forth in ARTICLE 6 hereof (or such other Business Day as the Parties may agree in writing);
- (j) **“Court”** has the meaning ascribed to that term in the recitals hereof;
- (k) **“Court Approval”** means the approval of the Transaction by the Court pursuant to the terms of an approval and vesting order that is satisfactory, in both form and substance, to the Parties;
- (l) **“Debtor”** has the meaning ascribed to that term in the recitals hereof;
- (m) **“Deposit”** has the meaning ascribed to that term in Section 3.2 hereof;
- (n) **“Effective Time”** means 12:01 a.m. (Calgary time) on the Closing Date;
- (o) **“Encumbrance”** or **“Encumbrances”** means any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Receivership Order; (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and (c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta) or *Prompt Payment and Construction Lien Act* (Alberta), but, notwithstanding any of the foregoing, excluding any Permitted Encumbrances; ;
- (p) **“Environment”** means the components of the earth and includes ambient air, land, surface and subsurface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, and the interacting natural systems that include such components, and any derivative thereof shall have a corresponding meaning;
- (q) **“Environmental Liabilities”** means all past, present and future liabilities, obligations and expenses in respect of the Environment which relate to or affect the Purchased Assets (or lands pooled or unitized with lands which may form part of the Purchased Assets), or which arise in connection with the ownership thereof or operations pertaining thereto, including liabilities related to or arising from:
 - (i) transportation, storage, use or disposal of toxic or hazardous substances;
 - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or
 - (iii) pollution or contamination of or damage to the Environment;including liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including damage to property, personal

injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the Environment;

- (r) “**Final Statement of Adjustments**” has the meaning ascribed to that term in Section 3.4 hereof;
- (s) “**GAAP**” means accounting principles generally accepted in Canada including those recommended or approved by the Canadian Institute of Chartered Professional Accountants at the relevant time including to the extent applicable, international financial reporting standards;
- (t) “**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Purchased Assets or the Transaction;
- (u) “**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority;
- (v) “**GST**” means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and “**GST Legislation**” means such act and regulations collectively;
- (w) “**Income Tax Act**” means, collectively, the *Income Tax Act*, RSC 1985, c.1 (5th Supplement), the *Income Tax Application Rules*, RSC 1985, c.2 (5th Supplement) and the *Income Tax Regulations*, in each case as amended to the date hereof;
- (x) “**Interim Statement of Adjustments**” has the meaning ascribed to that term in Section 3.4 hereof;
- (y) “**Lands**” means the real property legally described in Schedule “A” hereto, together with all easements, rights-of-way and interest appurtenant thereto, including all buildings, fixtures and improvements located thereupon;
- (z) “**Leases**” means the Vendor’s Interest, if any, in the leasing and financing agreements set forth in Schedule “C” hereto;
- (aa) “**Legal Proceeding**” means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;
- (bb) “**Losses**” means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or Governmental Order and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and

reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

- (cc) **"Notice Period"** has the meaning ascribed to that term in Section 8.2(b) hereof;
- (dd) **"Parties"** means, collectively, the Purchaser and the Vendor, and **"Party"** means any one of them;
- (ee) **"Permitted Encumbrances"** means those Encumbrances set out in Schedule "B" hereto;
- (ff) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (gg) **"Prime Rate"** means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary, Alberta of Bank of Montreal as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such institution, from time to time, as its prime rate, provided that whenever such institution announces a change in such reference rate, then the "Prime Rate" for the purposes of this Agreement shall correspondingly change effective on the date the change in such reference rate is effective;
- (hh) **"Property"** has the meaning ascribed to that term in the recitals hereof;
- (ii) **"Purchased Assets"** means all of the Vendor's Interest in and to:
 - (i) the Lands, including all buildings, fixtures and improvements located or attached thereupon; and
 - (ii) the unattached goods, chattels, personal property, equipment, machinery and inventory, if any, located upon and appurtenant to the Lands, including as used in connection with the Lands and any commercial operations carried on upon the Lands, further including, without limitation, those assets set out in Schedule "D" hereto,

EXCEPTING THEREOUT those items described in Schedule "E" hereto, if any, and all assets that are not owned or controlled by the Vendor or the Debtor;

- (jj) **"Purchase Price"** has the meaning ascribed to that term in Section 3.1 hereof;
- (kk) **"Purchaser's Conditions"** means the conditions set forth in Section 6.2 hereof;
- (ll) **"Purchaser's Solicitor"** means Bosecke Law LLP;
- (mm) **"Sale Approval and Vesting Order"** means an Order of the Court approving the Transaction and providing for vesting of the Purchased Assets in the Purchaser, substantially in the form attached as Schedule "F" to this Agreement;
- (nn) **"Receiver"** means Deloitte Restructuring Inc., in its capacity as the receiver and manager of the Debtor and not in its personal or corporate capacity;

- (oo) **“Receivership Proceedings”** means the proceedings where the Receiver was appointed, namely Alberta Court of King’s Bench Action No. 2301-04941;
- (pp) **“Receivership Order”** has the meaning ascribed to that term in the recitals hereof;
- (qq) **“Representative”** means, in respect of a person, each director, officer, employee, agent, legal counsel, accountant, professional advisor and other representative of such person and its Affiliates, and with respect to the Vendor, includes the Receiver and its respective Affiliates, directors, officers, employees, agents, legal counsel, accountants, professional advisors and other representatives;
- (rr) **“Tax Legislation”** means, collectively, the Income Tax Act and all Canadian federal, provincial, state, territorial, county, municipal and local, foreign, or other statutes, ordinances or regulations imposing a Tax, including all treaties, conventions, rules, regulations, orders, and decrees of any jurisdiction;
- (ss) **“Tax”** or **“Taxes”** means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable Tax Legislation, including, Canadian federal, provincial, state, territorial, county, municipal and local, foreign or other income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers’ compensation payments, levy, assessment, tariff, impost, imposition, toll and duty, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;
- (tt) **“Third Party”** means any person who is not a Party, Affiliate or Representative;
- (uu) **“Third Party Claim”** means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible for pursuant to this Agreement;
- (vv) **“Time of Closing”** means 12:00 pm (Calgary, Alberta time) on the Closing Date, or such other date and time as the Parties may agree in writing that the Closing shall take place;
- (ww) **“Transaction”** means the transaction for the purchase and sale of the Purchased Assets and all of the auxiliary or related transactions contemplated in this Agreement;
- (xx) **“Vendor’s Conditions”** means the conditions set forth in Section 6.3 hereof;
- (yy) **“Vendor’s Interest”** means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor in such asset, undertaking or property; and
- (zz) **“Vendor’s Solicitors”** means Dentons Canada LLP, attention: Derek Pontin, John Regush and Kurt Frederick.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada.
- (b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.
- (c) The word "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".
- (d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.
- (e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.
- (f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.
- (g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.
- (h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.
- (i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

1.3 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Purchased Assets shall be construed as having been contingent upon Closing having occurred.

1.4 Schedules

The following schedules attached to this Agreement form an integral part of this Agreement:

- Schedule "A" - Description of Lands
- Schedule "B" - Permitted Encumbrances
- Schedule "C" - Leases

- Schedule "D" - Included Assets
- Schedule "E" - Excluded Assets
- Schedule "F" - Sale Approval and Vesting Order

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances.

2.2 Transfer of Purchased Assets

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk and beneficial ownership of the Purchased Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

2.3 Assumption of Environmental Liabilities

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Environmental Liabilities associated with the Purchased Assets, as set forth in this Agreement, and the absolute release of the Debtor and Vendor of all and any responsibility or liability therefor.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Purchased Assets shall be [REDACTED] (the "**Purchase Price**") as adjusted pursuant to Section 3.4 hereof.

3.2 Deposit

- (a) The Purchaser shall pay to the Vendor, within two (2) Business Days after the Acceptance Date, a deposit in the amount of [REDACTED] (the "**Deposit**") by certified cheque, bank draft or electronic wire transfer, which Deposit will form a part of the Purchase Price at Closing.
- (b) The Deposit will be held in trust by the Vendor or its legal counsel in a trust account for and on behalf of the Vendor, and shall be releasable in accordance with the terms of this Agreement. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing.
- (c) If all conditions pursuant to Sections 6.1, 6.2 and 6.3 hereof cannot be satisfied or waived by all Parties to whom such conditions apply within 180 days of the Acceptance Date, then

the Deposit shall be returned to the Purchaser upon written request and this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement, except as otherwise expressly stated herein and subject to any Applicable Laws.

- (d) If Closing does not occur following the waiver and/or satisfaction of all conditions required to be waived and/or satisfied pursuant to Sections 6.1, 6.2 and 6.3 hereof for any reason other than as a result of default or breach by the Purchaser hereunder, then the Deposit shall be returned to the Purchaser upon written request.
- (e) Notwithstanding the foregoing or anything to the contrary contained herein, if Closing does not occur as a result of any default or breach by the Purchaser under this Agreement, then the Parties hereby acknowledge and agree that the Vendor shall be entitled to retain the Deposit, and the full amount of the Deposit shall be forfeited to the Vendor. In such case, this Agreement shall thereupon terminate and each Party shall be released from all obligations and liabilities under or in connection with this Agreement, except as otherwise expressly stated herein and subject to any Applicable Laws. Without limiting the generality of the foregoing, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses as a result of Closing not occurring, and further agree that the Vendor shall be entitled to seek all remedies and recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring, including, without limitation, legal fees and disbursements on a solicitor-client full indemnity basis. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.
- (f) The disbursement of the Deposit, as agreed to in this Section 3.2(e), shall not prevent the Vendor from pursuing remedies herein.

3.3 Payment of the Purchase Price

The Purchaser shall pay to the Vendor at Closing, by electronic wire transfer, the adjusted Purchase Price as set forth in the Interim Statement of Adjustments (including applicable GST), less the Deposit, subject to the provisions of Section 3.4 below.

3.4 Adjustments

- (a) Subject to Section 3.4(c) below, all adjustments relating to the Purchased Assets, both incoming and outgoing, including property taxes, other Taxes, local improvement levies and assessments, municipal charges, utilities, costs and revenues incurred, accruing, payable, paid, received or receivable in respect of the Purchased Assets, including, without limitation, rents and deposits, prepaid rent, maintenance fees, condominium contributions, development, capital and operating costs, advances and payments with respect to Permitted Encumbrances, the Vendor's share of any proceeds of insurance on account of damage to the Property occurring on or after the date hereof and not applied as of Closing on account of the cost of repair, and all other matters customarily the subject of adjustment on the sale of assets similar to the Purchased Assets shall, subject to the provisions of this Agreement, be apportioned on an accrual basis between the Vendor and the Purchaser as of the Effective Time, on and subject to the following:

- (i) except as otherwise provided in this Section 3.4, costs and revenues shall accrue in accordance with GAAP;
 - (ii) all such costs and revenues accruing up to the Effective Time shall be for the Vendor's account, and all costs and revenues accruing after the Effective Time shall be for the Purchaser's account;
 - (iii) all rentals, property taxes and other periodic payments (other than income taxes) shall be apportioned between the Vendor and the Purchaser on a per diem basis as of the Effective Time with all rentals, property taxes and other periodic payments accrued to the Effective Time for the Vendor's account, and all rentals, property taxes and other periodic payments accrued after the Effective Time for the Purchaser's account;
 - (iv) there shall not be any adjustment on account of income taxes;
 - (v) the Purchaser shall be solely responsible for all costs in preparing and registering and/or distributing any specific conveyances required in connection with the Transaction;
 - (vi) notwithstanding the foregoing and anything to the contrary herein, the Vendor and the Purchaser hereby acknowledge and agree that the condominium contributions outstanding in respect of the Property shall be adjusted as a credit in favour of the Purchaser in the Interim Statement of Adjustments hereunder as of the Effective Time; provided, however, that neither the Vendor nor the Receiver shall be responsible or held liable for any estoppel certificate(s) evidencing the payment of any or all condominium contributions that are or may be the Vendor's obligation to pay respecting the Property.
- (b) The Vendor shall carry out an interim accounting and adjustment and prepare and deliver to the Purchaser at least three (3) Business Days prior to the Closing Date a statement setting forth the Vendor's good faith estimate of all adjustments to be made as of the Closing Date pursuant to this Section 3.4 (the "**Interim Statement of Adjustments**"), which Interim Statement of Adjustments shall be deemed to be final and binding upon the Parties unless otherwise readjusted pursuant to Section 3.4(c) below.
- (c) If applicable or deemed necessary, a Party may carry out a final accounting and adjustment and prepare and deliver to the other Party a statement setting forth all readjustments respecting any errors, omissions or estimates in the Interim Statement of Adjustments, which readjustment shall be made pursuant to this Section 3.4 no later than thirty (30) days following the Closing Date (the "**Final Statement of Adjustments**").
- (d) The Parties shall execute and deliver on the Closing Date a mutual undertaking to readjust, and all adjustments or readjustments shall be settled by the prompt payment by any Party obliged to make payment pursuant to the provisions of this Agreement. Interest at the Prime Rate plus 2% per annum shall be paid on any adjustment or readjustment which remains unpaid by one Party to another Party thirty (30) days after receipt of the notice that adjustment is to be paid from such 30th day to the date of payment.

3.5 **GST**

The Purchase Price contemplated under this Agreement does not include GST. The Purchaser shall be liable for and pay to the Vendor the GST payable in connection with the purchase and sale of the Purchased Assets contemplated in this Agreement. If the Purchaser is a GST registrant under the GST Legislation, GST shall not be paid, provided that the Purchaser provides the Vendor with its GST number, indemnifies the Vendor with respect to GST, and files a return as required by the GST Legislation. The Purchaser hereby indemnifies and saves harmless the Vendor from any GST, and related penalty, interest and other amounts which may be payable by or assessed against the Vendor under the GST Legislation as a result of or in connection with the subject transaction or the Vendor's failure to collect and remit the GST applicable on the sale of the Purchased Assets to the Purchaser. Without limiting the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser shall, at Closing, provide the Vendor with a certificate of the Purchaser (the "**GST Certificate**") which shall include therein:

- (a) the GST registration number of the Purchaser;
- (b) an undertaking by the Purchaser to report and remit the GST, and claim any input tax credit applicable to the Transaction; and
- (c) an indemnity whereby the Purchaser shall indemnify the Vendor from and against any GST related liabilities in connection with, resulting from, or arising out of the Purchased Assets or any aspect of this Transaction.

3.6 **No Right to Reduction in Purchase Price**

Notwithstanding anything to the contrary in this Agreement, the Purchaser acknowledges and agrees that it shall have no right or other entitlement to any set-off, abatement or reduction in the Purchase Price as a result of, arising from or in connection with any claim against the Debtor or the Vendor, including in respect of any deficiency or allegation of deficiency in respect of the Purchased Assets, including, without limitation, any Environmental Liability or deficiency or title deficiency.

3.7 **Allocation of Purchase Price**

The allocation of the Purchase Price set out in Schedule "G" attached hereto is hereby agreed to by the Vendor and the Purchaser, and as and from the Closing the Parties agree to cause their books and records of account and all governmental returns, representations and other submissions to any Governmental Authority to represent and reflect the fact and accuracy of such allocation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 **Purchaser's Representations and Warranties**

The Purchaser hereby represents and warrants to and in favour of the Vendor that, as of the date of this Agreement or such other date as may be specified:

- (a) the Purchaser is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta and the jurisdiction of its incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

- (b) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement;
- (c) provided that Court Approval is obtained, the execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of the Transaction;
- (d) provided that Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by the Purchaser under any provision of any agreement or instrument to which it is a party or by which is it bound or any judgment, law, decree, order or ruling applicable to it;
- (e) the Purchaser is acquiring the Purchased Assets in its capacity as a principal and is not purchasing the Purchased Assets as agent or representative of any third party;
- (f) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (g) there is no requirement for the Purchaser to make any filing with, give any notice to, or obtain any authorization of, any Governmental Authority pursuant to the *Competition Act* (Canada), as a result of, in connection with, or as a condition to the lawful completion of the Transaction; and
- (h) the Purchaser is not a non-Canadian person within the meaning of the *Investment Canada Act* (Canada), nor a non-resident for the purposes of the *Income Tax Act*, nor a non-Canadian within the meaning of the *Purchase of Residential Property by Non-Canadians Act* (Canada) and the regulations thereunder.

4.2 **No Representations and Warranties by the Vendor**

- (a) Neither the Vendor nor any of its Representatives makes any representations or warranties, and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and neither the Vendor nor any of its Representatives shall be liable for any representation or warranty which may have been made or alleged to be made in any instrument or document related hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Vendor or any of its Representatives in connection with the Purchased Assets or in relation to the Transaction. For greater certainty, the Purchaser acknowledges and agrees that neither the Vendor nor any of its Representatives has made any representation, warranty, condition or covenant, express or implied, with respect to:

- (i) any data or information supplied by the Vendor or any of its Representatives in connection with the Purchased Assets;
 - (ii) the value of any of the Purchased Assets or the future cash flow therefrom;
 - (iii) the quality, condition, description, fitness for purpose, suitability, serviceability or merchantability of the Purchased Assets for any purpose whatsoever;
 - (iv) any defects, errors or omissions on or in the Purchased Assets, or any other conditions (whether patent, latent or otherwise), including, without limitation, soil quality, environmental contamination (including Environmental Liabilities) and geological stability, affecting the Purchased Assets; or
 - (v) compliance with, or satisfaction of, any work orders, deficiency notices, order to comply, or any other regulatory requirements with respect to the Lands, including, without limitation, pursuant to the Building Code, Fire Code or other related or similar regulations, whether environmental or otherwise, and whether imposed by law, equity or any regulatory authority.
- (b) The descriptions of the Purchased Assets are for purposes of identification only and no condition, warranty, or representation has been or will be given by the Vendor concerning the accuracy, completeness or any other matter concerning those descriptions.
- (c) The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Purchased Assets and it has not relied on advice from the Vendor or any of its Representatives with respect thereto, including with respect to the matters specifically enumerated in the above Sections 4.2(a) and 4.2(b) in connection with the purchase of the Purchased Assets pursuant to this Agreement. The Purchaser further acknowledges and agrees that it is acquiring the Purchased Assets on an “as is, where is” basis and there are no representations, warranties, conditions, covenants or collateral obligations made in respect of the Purchased Assets except as expressly set out herein. For greater certainty, the Purchaser hereby acknowledges and agrees that it is:
- (i) familiar with the condition of the Purchased Assets;
 - (ii) relying on its own inspections and reviews in all respects; and
 - (iii) not relying upon any representations or warranties of the Vendor as to the condition of the Purchased Assets or compliance thereof with any regulations imposed by law, equity or any regulatory or Governmental Authority.
- (d) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor and its Representatives in respect of the Purchased Assets or the Transaction or any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

- (e) Without limiting the generality of the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser acknowledges and agrees that the Vendor shall not be required to produce any title certificate, deed, abstract, real property report or survey, compliance certificates or other evidence of title or copy thereof.

ARTICLE 5 COVENANTS

5.1 Leases, Licences and Third Party Consents

- (a) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals, licences and permits required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction to be completed or that may be required for the Purchaser to own and operate the Purchased Assets. The Purchaser acknowledges and agrees that the Vendor has no obligation to transfer any Leases or permits or licences to the Purchaser, and that the Purchaser is solely responsible for obtaining consent to transfer the Leases. Without limiting the generality of the foregoing, it is the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to:
 - (i) obtain and pay the cost of any consents, permits, licences assignments, registration fees, attorney and agent fees, filing or issue fees, legal fees, or other authorizations and assignments necessary or desirable for the transfer of such right, title and interest, to the Purchaser or for the operation or use of the Purchased Assets;
 - (ii) to obtain all Third Party consents that are required to complete the Transaction and own and operate the Purchased Assets;
 - (iii) obtain the consent to transfer the Leases, if required or as applicable; and
 - (iv) provide any and all financial assurances that may be required by Governmental Authorities or any Third Parties to permit the transfer to the Purchaser of any of the Purchased Assets.

However, to the extent the Vendor is able to transfer any permits and licences to the Purchaser, the Vendor will use commercially reasonable efforts to transfer such permits and licences to the Purchaser, provided that the Purchaser pays all costs associated with such transfer.

- (b) The Purchaser acknowledges and accepts that the transfers of Leases shall not be a condition precedent to Closing, and that the Purchaser may not obtain transfers of Leases at all.
- (c) With respect to any Leases which are transferred and continue beyond the Effective Time ("**Transferred Leases**"), the Purchaser acknowledges and agrees to assume, perform, observe and keep each and every covenant, obligation and condition set out in the Transferred Leases, as the new landlord on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition and status of the Transferred Leases, including the past and present management of any deposits

(“**Deposits**”) paid by the tenants (“**Tenants**”) of the Transferred Leases, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Transferred Leases at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such opportunity) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the condition and status of the Transferred Leases, Deposits, or as to any and all existing or future claims or liabilities (“**Transferred Lease Liabilities**”) with respect to same. Provided that Closing has occurred, the Purchaser shall:

- (i) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and
- (ii) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Transferred Leases. Once Closing has occurred, the Purchaser shall be solely responsible and liable for all Deposits and Transferred Lease Liabilities, both to Third Parties and as between the Vendor and the Purchaser (whether such Transferred Lease Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such Deposits, and Transferred Lease Liabilities. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Transferred Lease Liabilities or Deposit claim, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a third party to any action commenced by any Person against the Purchaser. The Purchaser’s assumption of liability and the indemnity obligation set forth in this Section 5.1(c) shall survive the Closing Date indefinitely.

5.2 Court Approval

The Vendor shall prepare all materials, and shall apply to the Court for the Court Approval as soon as reasonably practicable following the dates set forth herein. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser’s power as the Vendor may reasonably request to obtain the Court Approval, including such information as may be required to reasonably evaluate the Purchaser’s financial ability to perform its obligations hereunder. The application for Court Approval may be adjourned or rescheduled by the Vendor or its Representatives upon notice to the Purchaser. The Purchaser acknowledges that the Court Approval may be delayed for any period of time as a result of Court house closure, restricted hearing access, or other circumstances outside of the control of the Vendor, and agrees that any such delays will not constitute or contribute to a Vendor’s

default hereunder. The Purchaser acknowledges that there is no guarantee that the Court Approval will be granted.

5.3 Environmental Matters

The Purchaser acknowledges and accepts that, insofar as the Environmental condition of the Purchased Assets is concerned, the Purchaser is acquiring the Purchased Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar and satisfied with the condition and regulatory compliance of the Purchased Assets, including the past and present use of the Purchased Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Purchased Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the Environmental condition of the Purchased Assets, or as to any Environmental Liabilities. Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Vendor and its Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by the Vendor or which the Vendor may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities both to Third Parties and as between the Vendor and the Purchaser (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date), and hereby releases the Vendor from any Claims the Purchaser may have against the Vendor with respect to all such liabilities and responsibilities. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities (whether such Environmental Liabilities occur or accrue prior to, on or after the Closing Date) in respect of the Purchased Assets. This assumption of liability and indemnity by the Purchaser shall apply without limit and without regard to cause or causes, including the negligence (whether sole, concurrent, gross, active, passive, primary or secondary) or the wilful or wanton misconduct or recklessness of any or all of the Vendor, its Representatives and their respective successors and assigns or any other Person otherwise. The Purchaser further acknowledges and agrees that it shall not be entitled to any rights or remedies as against the Vendor or its Representatives, or their respective successors and assigns under the common law or statute pertaining to any Environmental Liabilities, including the right to name any or all of the Vendor, its Representatives, and their respective successors and assigns as a third party to any action commenced by any Person against the Purchaser. The Purchaser's assumption of liability and the indemnity obligation set forth in this Section 5.3 shall survive the Closing Date indefinitely.

5.4 Title and Conveyance

The Purchaser acknowledges and agrees that on Closing, the Purchaser shall accept title to the Purchased Assets and the Lands, and such conveyance of title shall not be deemed to contain any covenant except the covenant that the Vendor has done no act to encumber the Lands with the exception of the Permitted Encumbrances set forth in this Agreement.

5.5 Real Estate Commissions

Each Party confirms that they have not retained a real estate broker or brokerage pursuant to this Agreement or in connection with this Transaction other than the Vendor's agent, Avison Young Commercial Real Estate Services, LP and that each Party shall be responsible for any commissions, fees or similar payments due in respect of the services rendered to each Party by their respective real estate broker or brokerage, unless otherwise agreed to by the Parties in writing.

ARTICLE 6 CONDITIONS

6.1 Mutual Conditions

The respective obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed as at or prior to the dates stated below:

- (a) Court Approval shall have been granted after waiver or satisfaction of the conditions set forth in Sections 6.2 and 6.3 below and the time for any appeal shall have passed;
- (b) no injunction or other order has been issued to enjoin, restrict or prohibit the Transaction as at or prior to the Time of Closing; and
- (c) on the Closing Date, the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances, and may be waived only with the Agreement of both the Vendor and the Purchaser.

6.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions (the "**Purchaser's Conditions**") having been fulfilled, performed, waived or satisfied by the Purchaser in writing, or satisfied in its sole discretion on or before the dates stated below:

- (a) the Vendor has complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement as at or prior to the Time of Closing;

The foregoing Purchaser's Conditions are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have. If any of the said conditions have not been complied with or waived by the Purchaser at or before the Time of Closing, as applicable, the Purchaser may terminate this Agreement by written notice to the Vendor.

6.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions (the "**Vendor's Conditions**") being fulfilled or performed as at or prior to the Time of Closing, or such other date as may be specified:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as at the Time of Closing with the same force and

effect as if made at and as of such time and the Purchaser shall have delivered to the Vendor a certificate to that effect;

- (b) the Purchaser has complied with and performed in all material respects all of its covenants and obligations contained in this Agreement; and
- (c) no Party comprising the Vendor has lost its ability to convey the Purchased Assets or any of them due to an order of the Court or otherwise pursuant to the Receivership Proceedings.

The foregoing Vendor's conditions are for the exclusive benefit of the Vendor and may be waived by the Vendor in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have. If any of the said conditions have not been complied with or waived by the Vendor at or before the Time of Closing, the Vendor may terminate this Agreement by written notice to the Purchaser.

6.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 6.1, 6.2 and 6.3 above.

ARTICLE 7 CLOSING

7.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The completion of the Transaction shall take place at the Time of Closing at the offices of the Vendor's Solicitor, or at such other time or such other location as the Parties may agree in writing.

7.2 Deliveries on Closing by the Vendor

The Vendor shall deliver to the Purchaser's Solicitors, for registration at the Alberta Land Titles Office, the following documents (the "**Vendor's Closing Documents**") fully executed by the Vendor, where applicable, or such other parties as may be specified (other than the Purchaser), in each case, on such reasonable trust conditions and undertakings that are consistent with the provisions of this Agreement and as would customarily be imposed in a similar receivership transaction in the City of Calgary, Alberta, subject to Section 7.3 hereof:

- (a) a certified copy of the Sale Approval and Vesting Order;
- (b) an executed receiver's closing certificate, as contemplated in the Sale Approval and Vesting Order;
- (c) the Interim Statement of Adjustments, which, for greater clarity, shall be delivered prior to Closing as specified in Section 3.4(b) hereof;
- (d) a mutual undertaking to readjust all adjustments as necessary in accordance with Section 3.4 hereof;

- (e) a condominium estoppel certificate, subject to provisions of Section 3.4(a)(vi) hereof, or an undertaking by the Vendor to provide the same within a reasonable period of time following the Closing Date;
- (f) if applicable, a bill of sale in respect of any unattached goods, chattels, personal property equipment, machinery and inventory, which are located upon and appurtenant to the Lands and forming part of the Purchased Assets;
- (g) if applicable, an assignment and assumption of any Leases, contracts, warranties, intellectual property, licences, permits, commitments and undertakings affecting or relating to the Purchased Assets;
- (h) all keys, codes, combinations and other access devices to the Purchased Assets in the Vendor's possession and control; and
- (i) such other documents and instruments as are required by this Agreement or as are reasonably requested by the Purchaser's Solicitor.

The Vendor's Closing Documents shall be in form and substance acceptable to the Parties, each acting reasonably and in good faith.

7.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver to the Vendor's Solicitor by the Time of Closing on the Closing Date the following instruments and documents (the "**Purchaser's Closing Documents**"), fully executed by the Purchaser, where applicable, or such other parties as may be specified:

- (a) the Purchase Price payable in cash by wire transfer or solicitor trust cheque to the Vendor in accordance with Section 3.3 hereof, subject to any adjustments (the "**Closing Funds**");
- (b) the GST Certificate of the Purchaser as described in Section 3.6 hereof;
- (c) a certificate of a senior officer of the Purchaser certifying that the representations and warranties of the Purchaser contained in Section 4.1 hereof are true and accurate in all material respects, and that all covenants of the Purchaser contained in this Agreement have been or will be satisfied;
- (d) a mutual undertaking to readjust all adjustments as necessary in accordance with Section 2.4 hereof;
- (e) a certified copy of a resolution of the board of directors of the Purchaser approving the Agreement and the transactions contemplated hereunder;
- (f) if applicable, those documents described in Section 7.2 above to which the Purchaser is also a party; and
- (g) such other documents and instruments as are required by this Agreement or as are reasonably requested by the Vendor's Solicitor.

The Purchaser's Closing Documents shall be in form and substance acceptable to the Parties, each acting reasonably and in good faith.

7.4 Risk and Insurance

The risk of loss of the Purchased Assets shall remain with the Vendor until Closing. Any property, liability and other insurance maintained by the Vendor shall not be transferred as of the Time of Closing, but shall remain the responsibility of the Vendor until the Time of Closing. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Purchased Assets in respect of the period from and after the Time of Closing.

7.5 Title Insurance

The Purchaser shall obtain a gap coverage endorsed policy of commercial title insurance in favour of the Purchaser, and the payment and release of the Purchase Price due to the Vendor on the Closing Date will occur on the Closing Date notwithstanding that registration of the Transfer of the Lands and any other registrations to be made at the Alberta Land Titles Office have not yet been completed. The Purchaser shall be solely responsible for the cost of obtaining such policy of title insurance, and shall provide a copy of the policy to the Vendor prior to the Closing Date.

7.6 Possession

Subject to and without limiting the provisions contained in this ARTICLE 7, possession of the Purchased Assets and the Lands shall not be granted to the Purchaser until the full Closing Funds are paid and rendered unconditionally releasable to the Vendor at the Closing Date.

7.7 Court Approval

Subject to and without restricting Sections 5.2 and 6.2(a) hereof, all commissions, fees and transfer of funds related to or pursuant to this Transaction shall be completed after the Vendor obtains Court Approval for the sale of the Purchased Assets to the Purchaser as specified in the vesting order of the Court.

7.8 Registration Fees

The Purchaser shall be responsible for all Alberta Land Titles Office registration fees and disbursements payable in connection with registration of the Transfer referred to in Section 7.2(b) above, and any other documents to be registered by or through the Purchaser or the Purchaser's Solicitor.

ARTICLE 8 INDEMNITY

8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

- (a) be liable to the Vendor for; and
- (b) as a separate covenant, indemnify the Vendor and its Representatives from and against,

all Losses suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Purchased Assets, including all Losses attributable to the ownership, operation, use, construction or maintenance of the Purchased Assets arising or accruing on or after the Effective Time and in respect of the indemnities specified in Section 5.3 hereof.

Without limiting the generality of the foregoing and notwithstanding anything to the contrary contained herein, the Purchaser shall protect, indemnify and save the Vendor and its Representatives harmless from and against any and all Losses whatsoever arising or suffered by any of them as a result of any misrepresentation or breach of warranty by the Purchaser in respect of its representations and warranties in Section 4.1(h) hereof. For the purpose of this Section only, the Vendor is acting as agent or trustee on behalf of and for the benefit of each of the Representatives.

The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date and the completion or termination of this Agreement indefinitely.

8.2 Third Party Claims

- (a) If the Vendor receives notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than fourteen (14) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Loss that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based.
- (b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than fourteen (14) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim, and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations, and has provided the Vendor with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. The Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.
- (c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim, or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable

costs and expenses paid or incurred in connection therewith (including legal fees on a solicitor and its own client full indemnity basis) and any Loss suffered or incurred by the Vendor with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

A failure to give timely notice as provided in this ARTICLE 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise materially prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing by either the Vendor or the Purchaser (as applicable) if the conditions for the benefit of the Vendor or Purchaser (as applicable), or both, pursuant to the provisions of ARTICLE 6 hereof are not satisfied or waived by or on the date specified for satisfaction or waiver.

9.2 Effect of Termination

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 9.1 above, the provisions of Sections 10.1, 10.3, 10.4, 10.10 and 10.13 hereof shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2 hereof.

ARTICLE 10 MISCELLANEOUS

10.1 Public Announcements

If the Purchaser intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the Purchaser shall provide the Vendor with an advance copy of any such press release or public disclosure with sufficient time to enable the Vendor to review such press release or other public disclosure and provide any comments. The Purchaser shall not issue such press release or other public disclosure without the prior written consent of the Vendor. Nothing in this provision shall apply to the Vendor's efforts to seek and obtain Court Approval.

10.2 Obligations to Survive

The obligations, covenants, representations and warranties (if any) of the Parties set out in this Agreement shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing, and shall be binding on the Parties thereafter.

10.3 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto.

10.4 Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

10.5 Further Assurances

Each of the Parties, from and after the date hereof, shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

10.6 No Assignment by Purchaser

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may not be unreasonably withheld.

10.7 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

10.8 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

10.9 Time of the Essence

Time is of the essence in this Agreement.

10.10 **Costs and Expenses**

Each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. No Party shall be responsible for the costs and expenses of the other Party, unless otherwise specifically set out in this Agreement or as agreed to by the Parties in writing.

10.11 **Notices**

Any notice, demand or other communication required or permitted to be given to any Party shall be given in writing and addressed as follows:

- (a) in the case of the Vendor or the Receiver:

Deloitte Restructuring Inc.
850-2nd Street SW
Calgary, Alberta T2P0R8
Attention: Cassie Poon
Email: caspoon@deloitte.ca

and with a copy to the Vendor's Solicitor:

Dentons Canada LLP
15 Floor Bankers Court
850 – 2 Street SW
Calgary, Alberta T2P 0R8
Attention: Derek Pontin / John Regush
Email: derek.pontin@dentons.com / john.regush@dentons.com

- (b) In the case of the Purchaser:

Harmani Calgary Inc.
200 – 10310 Jasper Avenue
Edmonton, AB T5J 1Y8

Email: hs@amrik.ca

and with a copy to the Purchaser's Solicitor:

Bosecke Law
#102, 9333 – 47 Street
Edmonton, AB

Attention: Carl Bosecke

Email: c.bosecke@edmontonlaw.ca

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by facsimile or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

10.12 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

10.13 Third Party Beneficiaries

Each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person other than the Parties and their successors and permitted assigns, and no person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

10.14 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

10.15 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement.

10.16 Condominium Property Act

The Parties acknowledge and accept that Sections 12 and 13 of the *Condominium Property Act* (Alberta) relating to sale of units by developers and rescission of purchase agreements do not, and shall not, apply to this Agreement.

10.17 Counterparts / Electronic Transmission

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart, and an electronic or digitized signature shall be deemed to have the same function as an ink signature.

[Remainder of this page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

DELOITTE RESTRUCTURING INC., in its capacity as Court appointed receiver and manager of Westmount Projects Inc., and not in its personal or corporate capacity

Per: 
Name: Cassie Poon
Title: Senior Vice-President

Harmani Calgary Inc.

Per: 
Name: Harpreet Singh
Title: Principal

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

SCHEDULE "A"**DESCRIPTION OF LANDS**

<u>Legal Description</u>	<u>Municipal Description</u>
CONDOMINIUM PLAN 2011798 UNIT 1 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2617-12 Avenue SE
CONDOMINIUM PLAN 2011798 UNIT 2 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2615-12 Avenue SE
CONDOMINIUM PLAN 2011798 UNIT 3 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#2, 2615-12 Avenue SE
CONDOMINIUM PLAN 2011798 UNIT 4 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#3, 2615-12 Avenue SE
PLAN 4479P BLOCK 9 LOTS 18 TO 20 INCLUSIVE	1538 27 th Ave SW, Calgary, Alberta

SCHEDULE "B"**PERMITTED ENCUMBRANCES**

1. Any subsisting reservations, limitations, exceptions, provisos, qualifications and conditions, if any (including royalties, reservation of mines, and mineral rights) to title contained in Sections 61(1)(a), 61(1)(c) and 61(1)(e), 61(1)(f) and Section 62(1) of *Land Titles Act* (Alberta) as amended, replaced or restated from time to time, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in Section 61 the *Land Titles Act* (Alberta).
2. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the Lands, and other Encumbrances provided as security to a public utility or any Governmental Authority for realty taxes (including charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Property and Lands which have accrued but are not yet due and owing or, if due and owing, are adjusted for pursuant to Article 3 of this Agreement.
3. The provisions of Applicable Laws including zoning, land use, development and building restrictions, bylaws, regulations, ordinances of any Governmental Authority and similar instruments, including municipal bylaws and regulations such as airport zoning regulations, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements, and any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority.
4. Any rights of expropriation, access or use, or any other similar right conferred upon or reserved to or vested in the Crown or any Governmental Authority by or under the authority of any statute of Canada or the Province of Alberta.
5. The interests of any lessors in respect of the Leases, and any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby.
6. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser.
7. Any Encumbrances, liens or interests which are registered on title to the Property following the date of this Agreement and prior to Closing which the Purchaser has expressly agreed in writing to accept as a Permitted Encumbrance.
8. The following specific instruments registered against the titles to the Lands (excluding Plan 479P Block 9 Lots 18 to 20 Inclusive):

Registration Number	Date (D/M/Y)	Particulars
771 147 064	20/10/1977	ZONING REGULATIONS

		SUBJECT TO CALGARY INTERNATIONAL AIRPORT ZONING REGULATIONS
--	--	---

SCHEDULE "C"

LEASES

Any and all leases in place with tenants of the Lands or any portion thereof as of the date of this Agreement including, but not limited to the following lease agreements:

1. Leases at 2617 12 Ave SE
 - a. Lease Agreement dated November 22, 2021, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
 - b. Lease Agreement dated September 16, 2021, between Westmount Projects Inc., as landlord and [REDACTED] [REDACTED], as tenant;
 - c. Lease Agreement dated March ____, 2023, between Westmount Projects Inc., as landlord and [REDACTED], as tenant; and
 - d. Lease Agreement dated September ____, 2021, between Westmount Projects Inc., as landlord and [REDACTED], as tenant,

2. Leases at 1538 27 Ave SW
 - a. Lease Agreement dated June 5, 2021, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
 - b. Lease Agreement dated January 12, 2022, between Westmount Projects Inc., as landlord and [REDACTED] as tenant;
 - c. Lease Agreement dated September 30, 2022, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
 - d. Lease Agreement dated _____, _____, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
 - e. Lease Agreement dated November 5, 2020, between Westmount Projects Inc., as landlord and [REDACTED], as tenant;
 - f. Lease Agreement dated April 10, 2017, between 1914451 Alberta Ltd. c/o Westmount Projects Inc., as landlord and [REDACTED], as tenant; and
 - g. Laundry Room Lease & Service Agreement dated November 6, 2012, between 1476457 Alberta Inc., as landlord and Coinamatic Canada Inc., as tenant.

SCHEDULE "D"
INCLUDED ASSETS

Nil.

SCHEDULE "E"
EXCLUDED ASSETS

Nil.

SCHEDULE "F"

SALE APPROVAL AND VESTING ORDER

Clerk's Stamp:

COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>ORDER – APPROVING SALE AND VESTING TITLE – HARMANI CALGARY INC.</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: John Regush Ph. (403) 268-7086 Fx. (403) 268-3100 File No.: 131079-104
DATE ON WHICH ORDER WAS PRONOUNCED	November [], 2023
LOCATION WHERE ORDER WAS PRONOUNCED	Calgary, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER	The Honourable Justice []

UPON THE APPLICATION by Deloitte Restructuring Inc. (“**Deloitte**”) Court-appointed receiver and manager (“**Receiver**”) of certain of the assets, properties, and undertakings of Westmount Projects Inc. (“**Westmount**” or the “**Debtor**”) as more particularly described in the Receivership Order – Westmount Projects Inc. pronounced on May 15, 2023 in the within proceedings (the “**Receivership Order**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Harmani Calgary Inc. (the “**Purchaser**”) dated November [], 2023, as appended to the Confidential Supplement to the Third Report (“**Third Report**”) of the Receiver dated November [], 2023 (the “**Confidential Supplement**”) as Appendix [], and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”);

AND UPON HAVING READ the Receivership Order, the Third Report, and Confidential Supplement; **AND UPON HEARING** submissions from counsel for the Receiver regarding service; **AND**

UPON reading or hearing read the Affidavit of _____ concerning service; **AND UPON HEARING** the submissions of counsel for the Receiver and _____

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

3. Upon delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order;
 - (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
 - (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
 - (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

(a) the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

(i) cancel the below existing Certificates of Title Nos.:

<u>Certificate of Title No.</u>	<u>Legal Description</u>	<u>Municipal Description</u>
201 195 672	CONDOMINIUM PLAN 2011798 UNIT 1 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2617-12 Avenue SE Calgary, Alberta
201 195 672 +1	CONDOMINIUM PLAN 2011798 UNIT 2 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2615-12 Avenue SE Calgary, Alberta
201 195 672 +2	CONDOMINIUM PLAN 2011798 UNIT 3 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#2, 2615-12 Avenue SE Calgary, Alberta
201 195 672 +3	CONDOMINIUM PLAN 2011798 UNIT 4 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#3, 2615-12 Avenue SE Calgary, Alberta
171 281 186	PLAN 4479P BLOCK 9 LOTS 18 TO 20 INCLUSIVE	1538 27th Ave SW, Calgary, Alberta

(collectively, the “**Lands**”)

- (ii) issue a new Certificate of Title for the each of the Lands in the name of the Purchaser, namely, Harmani Calgary Inc., 200 – 10310 Jasper Avenue Edmonton, AB T5J 1Y8; and
 - (iii) discharge and expunge the Encumbrances listed in **Schedule “C”** to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
 - (b) the Registrar of the Alberta Personal Property Registry (the “**PPR Registrar**”) shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver’s Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
 6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
 7. Upon delivery of the Receiver’s Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.
 8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver’s Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to

repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.
10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
11. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver, including but in no way limited to pursuant to the *Residential Tenancies Act*, SA 2004 c R-17.1.
13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser.

MISCELLANEOUS MATTERS

14. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Debtor and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and
 - (d) the provisions of any federal or provincial statute;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or

provincial legislation.

15. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.
17. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings; and
 - (b) posting a copy of this Order on the Receiver's website for these proceedings;and service on any other person is hereby dispensed with.
18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

Clerk's Stamp:

COURT FILE NUMBER	2301-04941
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	WESTMOUNT PROJECTS INC., 2218923 ALBERTA LTD., 1975847 ALBERTA LTD., ANDERSON & ASSOCIATES FINANCIAL CORP., IRONCLAD PROJECTS LTD., GORDAN D. ANDERSON, AND DENI MARIO DANIEL ECHINO
DOCUMENT	<u>RECEIVER'S CLOSING CERTIFICATE – HARMANI CALGARY INC.</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Dentons Canada LLP Bankers Court 15 th Floor, 850 - 2 nd Street S.W. Calgary, Alberta T2P 0R8 Attn: John Regush Ph. (403) 268-7086 Fx. (403) 268-3100 File No.: 569588-14

RECITALS

- A. Pursuant to an Order of the Honourable Justice Lema of the Court of Kings's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated May 15, 2023 Deloitte Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of certain of the undertakings, property and assets of Westmount Projects Inc. (the "**Debtor**"), among others.
- B. Pursuant to an Order of the Court dated November [], 2023, the Court approved the agreement of purchase and sale made as of November [], 2023 (the "**Sale Agreement**") between the Receiver and Harmani Calgary Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

DELOITTE RESTRUCTURING INC. in its capacity as Receiver of certain of the undertakings, property and assets of Westmount Projects Inc., and not in its personal or corporate capacity.

Per: _____

Name:

Title:

Schedule "B"
Purchased Assets

	<u>Certificate of Title No.</u>	<u>Legal Description</u>	<u>Municipal Description</u>
	201 195 672	CONDOMINIUM PLAN 2011798 UNIT 1 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2617-12 Avenue SE Calgary, Alberta
	201 195 672 +1	CONDOMINIUM PLAN 2011798 UNIT 2 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2615-12 Avenue SE Calgary, Alberta
	201 195 672 +2	CONDOMINIUM PLAN 2011798 UNIT 3 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#2, 2615-12 Avenue SE Calgary, Alberta
	201 195 672 +3	CONDOMINIUM PLAN 2011798 UNIT 4 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#3, 2615-12 Avenue SE Calgary, Alberta
	171 281 186	PLAN 4479P BLOCK 9 LOTS 18 TO 20 INCLUSIVE	1538 27th Ave SW, Calgary, Alberta

(collectively, the "**Lands**") together with all easements, rights-of-way and interest appurtenant thereto, including all buildings, fixtures and improvements located thereupon, and including all buildings, fixtures and improvements located or attached thereupon.

The unattached goods, chattels, personal property, equipment, machinery and inventory, if any, located upon and appurtenant to the Lands, including as used in connection with the Lands and any commercial operations carried on upon the Lands.

EXCEPTING THEREOUT all assets that are not owned or controlled by the Receiver or the Debtor.

Schedule "C"
Encumbrances

As against Certificates of Title Nos. 201 195 672, 201 195 672 +1, 201 195 672 +2, and 201 195 672 +3:		
<u>Registration Number</u>	<u>Date (D/M/Y)</u>	<u>Particulars</u>
201 135 553	05/08/2020	MORTGAGE MORTGAGEE - BANK OF MONTREAL. 350-7 AVENUE SW CALGARY ALBERTA T4N4A6 ORIGINAL PRINCIPAL AMOUNT: \$1,100,000
201 135 554	05/08/2020	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - BANK OF MONTREAL. C/O BURSTALL LLP 1600, 333 - 7 AVENUE SW CALGARY ALBERTA T2P2Z1 AGENT - GREGORY SCOTT WALTER
211 095 419	13/05/2021	MORTGAGE MORTGAGEE - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3 ORIGINAL PRINCIPAL AMOUNT: \$1,200,000
211 095 420	13/05/2021	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3 AGENT - BRANDON K HANS
211 120 869	22/06/2021	CERTIFICATE OF LIS PENDENS
231 178 365	08/06/2023	CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - CANADIAN WESTERN BANK.

		600, 12220 STONY PLAIN ROAD EDMONTON ALBERTA T5N3Y4 AGENT - RYAN TRAINER
As against Certificate of Title No. 171 281 186:		
<u>Registration Number</u>	<u>Date (D/M/Y)</u>	<u>Particulars</u>
171 281 187	11/12/2017	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - BANK OF MONTREAL. MORTGAGE SERVICE CENTRE 865 HARRINGTON COURT BURLINGTON ONTARIO L7N3P3 AGENT - STEPHEN KACZKOWSKI
171 281 188	11/12/2017	MORTGAGE MORTGAGEE - BANK OF MONTREAL. 101 CROWFOOT WAY NW CALGARY ALBERTA T3G2R2 ORIGINAL PRINCIPAL AMOUNT: \$1,700,000
211 095 419	13/05/2021	MORTGAGE MORTGAGEE - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3 ORIGINAL PRINCIPAL AMOUNT: \$1,200,000
211 095 420	13/05/2021	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - HORIZON CAPITAL CORPORATION. 3200 TELUS HOUSE, SOUTH TOWER 10020 100 STREET EDMONTON ALBERTA T5J0N3 AGENT - BRANDON K HANS
231 023 849	24/01/2023	MORTGAGE MORTGAGEE - ANDERSON & ASSOCIATES FINANCIAL CORP.

		2440 KENSINGTON RD NW CALGARY ALBERTA T2N3S1 ORIGINAL PRINCIPAL AMOUNT: \$1,000,000
231 178 365	08/06/2023	CAVEAT RE : AGREEMENT CHARGING LAND CAVEATOR - CANADIAN WESTERN BANK. 600, 12220 STONY PLAIN ROAD EDMONTON ALBERTA T5N3Y4 AGENT - RYAN TRAINER

**Schedule “D”
Permitted Encumbrances**

1. Capitalized terms used in this Schedule “D” have the meanings given to them in the Sale Agreement.
2. Any subsisting reservations, limitations, exceptions, provisos, qualifications and conditions, if any (including royalties, reservation of mines, and mineral rights) to title contained in Sections 61(1)(a), 61(1)(c) and 61(1)(e), 61(1)(f) and Section 62(1) of *Land Titles Act* (Alberta) as amended, replaced or restated from time to time, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in Section 61 the *Land Titles Act* (Alberta).
3. Any easements, servitudes, rights-of-way, licences, agreements, restrictions that run with the Lands, and other Encumbrances provided as security to a public utility or any Governmental Authority for realty taxes (including charges, rates and assessments, and other governmental charges or levies) or charges for electricity, power, gas, water and other services and utilities in connection with the Property and Lands which have accrued but are not yet due and owing or, if due and owing, are adjusted for pursuant to Article 3 of this Agreement.
4. The provisions of Applicable Laws including zoning, land use, development and building restrictions, bylaws, regulations, ordinances of any Governmental Authority and similar instruments, including municipal bylaws and regulations such as airport zoning regulations, development agreements, subdivision agreements, site plan agreements, servicing agreements, cost sharing reciprocal agreements and building and zoning restrictions and other similar agreements, and any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority.
5. Any rights of expropriation, access or use, or any other similar right conferred upon or reserved to or vested in the Crown or any Governmental Authority by or under the authority of any statute of Canada or the Province of Alberta.
6. The interests of any lessors in respect of the Leases, and any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby.
7. Any Encumbrances permitted by an order of the Court and acceptable to the Purchaser.
8. Any Encumbrances, liens or interests which are registered on title to the Property following the date of this Agreement and prior to Closing which the Purchaser has expressly agreed in writing to accept as a Permitted Encumbrance.
9. The following specific instruments registered against the titles to the Lands (excluding Plan 479P Block 9 Lots 18 to 20 inclusive):

<u>Registration Number</u>	<u>Date (D/M/Y)</u>	<u>Particulars</u>
771 147 064	20/10/1977	ZONING REGULATIONS SUBJECT TO CALGARY INTERNATIONAL AIRPORT ZONING REGULATIONS

SCHEDULE "G"

ALLOCATION OF PURCHASE PRICE

<u>Legal Description</u>	<u>Municipal Description</u>	<u>Purchase Price</u>
CONDOMINIUM PLAN 2011798 UNIT 1 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2617-12 Avenue SE	██████████
CONDOMINIUM PLAN 2011798 UNIT 2 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#1, 2615-12 Avenue SE	██████████
CONDOMINIUM PLAN 2011798 UNIT 3 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#2, 2615-12 Avenue SE	██████████
CONDOMINIUM PLAN 2011798 UNIT 4 AND 2500 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY EXCEPTING THEREOUT ALL MINES AND MINERALS	#3, 2615-12 Avenue SE	██████████
PLAN 4479P BLOCK 9 LOTS 18 TO 20 INCLUSIVE	1538 27 th Ave SW, Calgary, Alberta	██████████



www.deloitte.ca

About Deloitte

Deloitte provides audit & assurance, consulting, financial advisory, risk advisory, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries and territories bringing world-class capabilities, insights and service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 264,000 professionals—9,400 of whom are based in Canada—make an impact that matters, please connect with us on LinkedIn, Twitter or Facebook.

Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited. Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

© Deloitte LLP and affiliated entities.