



This is the first affidavit
of **Sylvia Kovesdi** in this case and
was made on 11/JULY/2025
NO. H-250800
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PETITIONER

AND:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
1075 NELSON DEVELOPMENT GP INC.
1075 NELSON DEVELOPMENT HOLDINGS INC.
BRIVIA FAMILY INVESTMENTS INC.
KHENG LY
1409658 B.C. LTD.
TRAVELERS INSURANCE COMPANY OF CANADA

RESPONDENTS

AFFIDAVIT

I, **Sylvia Kovesdi** Senior Director, at the Royal Bank of Canada at 20 King St. W, 2nd Floor,
Toronto ON M5H 1C4, SWEAR THAT:

1. I am a Senior Director in Special Loans and Advisory Services with Royal Bank of Canada ("**RBC**" or the "**Bank**"), and as such have personal knowledge of the facts and matters hereinafter deposed to save and except where stated to be based on information and belief and where so stated, I verily believe the same to be true.
2. I am authorized to make this affidavit on behalf of RBC.

3. I have reviewed the Petition to the Court herein dated 10/July/2025 (the "**Petition**"). The facts set out in paragraphs 1, 9-30 are true.
4. I swear this affidavit in support of RBC's notice of application for an order appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver over the assets, undertakings, and property of the Respondents, 1075 Nelson Development Limited Partnership, 1075 Nelson Development GP Inc., and 1075 Nelson Development Holdings Inc. (collectively, the "**Debtors**").
5. RBC, by its predecessor by amalgamation, HSBC Bank Canada, is the Debtors' senior secured creditor, together with two (2) additional financial institutions, Bank of Montreal, and Meridian Credit Union (together with RBC, the "**Lenders**") who have formed a lending syndicate with RBC for the purpose of extending credit to the Debtors, as discussed in more detail below.
6. All capitalized terms not otherwise defined herein shall have the meanings prescribed in the Petition.
7. I know of no fact which would constitute a defence to the whole or part of the claims as set out in the Petition.

Loan Documents and Security:

8. Now shown to me and attached hereto as **Exhibit "A"** is a true copy of the Credit Agreement as defined and referred to in the Petition.
9. Now shown to me and attached hereto as **Exhibit "B"** is a true copy of the Interlender Agreement as defined and referred to in the Petition.
10. Pursuant to the Interlender Agreement, the Lenders mutually agreed to appoint RBC as administrative and collateral agent to administer the Loan Facilities on behalf of the Lenders as set out therein. In its role as the agent pursuant to the Credit Agreement and the Interlender Agreement, RBC is responsible for, *inter alia*, holding all security created by the Credit Agreement as agent for the Lenders, promptly notifying the Lenders of the occurrence of any events of default by the Debtors, and taking any actions necessary to demand on and enforce the Debtors' obligations under the Credit Agreement, including enforcing or realizing on associated security.
11. To secure the Debtors' obligations under the Credit Agreement, the Debtors provided, *inter alia*, the following security to RBC, as agent on behalf of the Lenders (collectively, the "**Security**"). Now shown to me and attached hereto as:
 - (a) **Exhibit "C"**, a copy of the Legal Mortgage as defined and referred to in the Petition;
 - (b) **Exhibit "D"**, a copy of the GSA as defined and referred to in the Petition.

- (c) **Exhibit "E"** a copy of the Beneficial Mortgage as defined and referred to in the Petition;
- 12. Now shown to me and attached hereto as **Exhibit "F"** is a true copy of the Guarantee as defined and referred to in the Petition.
- 13. Now shown to me and attached hereto as **Exhibit "G"** is a true copy of the Debt Service Agreement as defined and referred to in the Petition.
- 14. The Loan Facility was advanced to the Debtors in two (2) advances, as summarized below:
 - (a) The first advance in respect of the Loan Facility was made on or about May 12, 2023, in the amount of \$75,000,000; and
 - (b) The second advance in respect of the Loan Facility was made on or about July 13, 2023 in the amount of \$15,000,000.

Defaults and Demands:

- 15. Pursuant to the Credit Agreement, specifically as set forth in the fourth amendment to the Credit Agreement dated April 25, 2025 (the "**Fourth Amendment**"), the Debtors were required to make a payment in the amount of \$225,000 (the "**Extension Fee**") to the Lenders as a condition precedent to the Lenders approving the amendments contained in the Fourth Amendment.
- 16. The Fourth Amendment, among other things, provides for an amendment to the maturity date of the Loan Facility to extend it from April 30, 2025 to July 31, 2025. However, as set forth in the Fourth Amendment, the extension of the maturity date was contingent on, *inter alia*, the Debtors paying the Extension Fee.
- 17. The Lenders did not receive the Extension Fee from the Debtors, and as such, the maturity date for the Loan Facility was not extended to July 31, 2025 pursuant to the Fourth Amendment, and the maturity date for the Loan Facility remained as April 30, 2025 (the "**Maturity Date**").
- 18. An event of default occurred when, *inter alia*, the Debtors failed to repay the Loan Facility on or before the Maturity Date.

Current Indebtedness:

- 19. As of July 10, 2025, the Debtors are indebted to the Lenders in the amount of \$91,204,611.06 pursuant to the Credit Agreement, plus costs and interest accruing thereafter which continue to accrue (together, the "**Indebtedness**").

Other Creditors:


20. Now Shown to me and attached hereto as **Exhibit "H"** is a true copy of the 140 Priority Agreement as defined and referred to in the Petition.
21. Now Shown to me and attached hereto as **Exhibit "I"** is a true copy of the Travelers Priority Agreement as defined and referred to in the Petition.
22. To the best of my knowledge, information, and belief, pursuant to the Travelers Facility, as defined and referred to in the Petition, Travelers agreed to provide pre-sale deposit insurance to the Debtors in respect of pre-sale condo deposits for the proposed development of the Real Property. The Travelers Facility is in the maximum amount of \$120,000,000 but the exact quantum of Travelers' present or future claims in the Debtors' assets is unknown.
23. I am not aware of any other material creditors of the Debtors.

Need for a Receiver

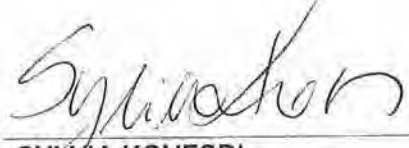
24. The Debtors are special purpose entities that were formed to acquire, own, and develop the Real Property, and to the best of my knowledge, information, and belief, the Debtors have no other business activity and their only material asset is the Real Property.
25. The Debtors are controlled by the Brivia Group, a property development company headquartered in Montreal, Quebec.
26. To the best of my knowledge, information, and belief, the Real Property is comprised of two unoccupied residential buildings, and the Debtors had plans to re-develop the Real Property into a 60-story condominium tower, which has been marketed as the "Cury".
27. I have spoken to the Chief Financial Officer, Mr. Patrick Thibault ("**Mr. Thibault**") of the Brivia Group and have received further correspondence from Mr. Thibault confirming the following information, which I verily believe to be true: i.) the Brivia Group has limited liquidity to address the Indebtedness and to otherwise advance the development of the Real Property and ii.) that all other assets of the Brivia Group are encumbered.
28. I was also advised by Mr. Thibault, and verily believe the same to be true, that the Brivia Group has received several rescission requests in respect of deposits paid by prospective purchasers of pre-sale condos in the proposed development of the Real Property.
29. The per diem interest rate on the Indebtedness as at July, 10, 2025, is \$18,369.87 and as such, the Lenders' equity position with respect to the Real Property continues to decline rapidly.
30. In light of the above, it does not appear there is any prospect of repayment of the Indebtedness by the Debtors or that the Debtors will be able to further advance the development of the Real Property, and the Lenders' equity position is eroding rapidly.

31. In order to protect the interests of the Lenders and all other creditors, RBC believes that a Court-approved sales process is necessary in the circumstances to facilitate recovery for creditors.
32. Given the Debtors' current liquidity position, RBC has lost confidence in the Debtors' ability to maintain and preserve the Real Property, and believes that the Real Property requires immediate attention to ensure proper security and maintenance measures are in place prior to commencing a sales process in respect of the Real Property.
33. RBC believes that a receiver is best suited to execute a sales process in respect of the Real Property and to take steps to secure and maintain the Real Property.
34. I understand that Deloitte is a licensed trustee, as defined in the Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3 RBC. Deloitte has consented to act as receiver if appointed by this Court.
35. Now shown to me and attached hereto as **Exhibit "J"** is a copy of a consent to act as receiver, duly executed by Deloitte.

Sworn before me in Toronto, Ontario, on July)
11, 2025.)


A Commissioner for Taking Affidavits
for Ontario)

Sarah Lam
Barrister and Solicitor
Dentons Canada LLP
77 King Street West
Toronto, ON M5K 0A1
Telephone (416) 863-4511


SYLVIA KOVESDI)

This is **Exhibit "A"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**

AMENDED AND RESTATED CREDIT AGREEMENT

BETWEEN

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
AS BORROWER

AND

ROYAL BANK OF CANADA
AS ADMINISTRATIVE AGENT, SYNDICATION AGENT AND LEAD ARRANGER

AND

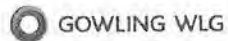
THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO
AS LENDERS

MADE AS OF

JUNE 7, 2024

\$90,000,000 COMMITTED LAND LOAN FACILITY

1059 AND 1075 NELSON STREET
VANCOUVER, BRITISH COLUMBIA



1075 Nelson Development Limited Partnership
 Suite 2400 – 745 Thurlow Street
 Vancouver, BC V6E 0C5

Attention: Kheng Ly

Dear Sirs/Mesdames:

Re: Land Loan for 1059 and 1075 Nelson Street, Vancouver, British Columbia

The **Lenders** are pleased to offer to the **Borrower** the **Loan Facility** in the aggregate amount of up to **\$90,000,000** provided by each of the Lenders on a several, prorated basis up to the maximum amount of each Lender's Commitment, all on the terms and conditions set out below. The terms and conditions contained in the Schedules attached hereto are incorporated by reference into and form an integral part of this **Credit Agreement**. Capitalized terms not defined in the body of this Credit Agreement are defined in Schedule A.

This Credit Agreement amends and restates, and supersedes in its entirety, the Existing Credit Agreement.

The Agent confirms that all existing references to "**HSBC Bank Canada**" and "**HSBC**" in the Existing Credit Agreement and the Loan Documents are hereby replaced with "**Royal Bank of Canada**".

1. PARTIES

1.1 Lenders

Royal Bank of Canada ("**RBC**")
 Bank of Montreal ("**BMO**")
 Meridian Credit Union Limited ("**Meridian**")

Each of the respective "**Lender's Commitments**" and the "**Lender's Proportionate Share**" are as defined in Schedule A and set out in Schedule B.

1.2 Administrative Agent

RBC (in such capacity, the "**Agent**")

1.3 Lead Arranger and Bookrunner

RBC (in such capacity, the "**Lead Arranger**")

1.4 Borrower

1075 Nelson Development Limited Partnership (the "**Borrower**")

1.5 Nominee

1075 Nelson Development Holdings Inc. (the "**Nominee**")

1.6 Guarantors

The Nominee

1075 Nelson Development GP Inc. (the "GP")

Brivia Family Investments Inc. ("Brivia")

Kheng Ly ("Ly")

(the Nominee, the GP, Brivia and Ly are collectively, the "Guarantors" and each, a "Guarantor")

2. LOAN FACILITY

2.1 Loan Facility

\$90,000,000 committed, non revolving land loan (the "**Loan Facility**") which has been fully advanced to the Borrower by the Lenders on a several, pro-rated basis in accordance with each Lender's Commitment (except as may be otherwise provided in the Interlender Agreement).

2.2 Lenders Share Pro Rata in the Loan Facility

It is the intention of the Lenders that the ultimate credit risk and exposure of the Lenders in respect of the Loan Facility will be shared between the Lenders on a pro rata basis according to each Lender's Proportionate Share.

2.3 Purpose

(a) Loan Facility. The Loan Facility has been used by the Borrower to:

- (i) fully payout the KingSett Subordinate Loan and obtain a discharge of the KingSett Mortgage; and
- (ii) partially payout the 1409658 Subordinate Loan.

2.4 Availability

- (a) The full amount of the Loan Facility was advanced to the Borrower by way of three advances which occurred on May 12, 2023, July 8, 2023 and November 8, 2023 and as such, no further advances are available.
- (b) Advances under the Loan Facility are available as follows:
 - (i) by way of Canadian Prime Rate Advances not more frequently than once each month in a minimum amount of \$250,000 per advance;
 - (ii) by way of Daily Compounded CORRA Loans upon request by delivery of a Required Notice, subject to a minimum advance amount of \$250,000 and thereafter in multiples of \$100,000 unless otherwise advised by the Agent; and
 - (iii) by way of Term CORRA Loans upon request by delivery of a Required Notice, subject to a minimum advance amount of \$250,000 and thereafter in multiples of \$100,000 unless otherwise advised by the Agent.

2.5 Advances of the Loan Facility

The first advance of the Loan Facility was made on **May 12, 2023**.

The second advance of the Loan Facility was made on **July 13, 2023**.

The third advance of the Loan Facility was made on **November 8, 2023**.

2.6 Repayment of Loan Facility

Subject to Section 9 of Schedule A, all amounts outstanding under the Loan Facility will be repaid by the Borrower on or before **August 31, 2024** (the "**Maturity Date**").

Unless and until otherwise agreed, interest will be payable monthly at the rate set out in Section 2.7 below and in the manner provided in Schedule A.

All interest payments due prior to the Maturity Date will be debited directly from any account that the Borrower maintains with the Agent, as the Agent may determine.

The Borrower may prepay the Loan Facility without penalty at any time in whole or part, provided that:

- (a) it provides the Agent with not less than 15 days prior written notice substantially in the form of Schedule G attached hereto;
- (b) in the event the Loan Facility is either (i) repaid in the first twelve (12) months of the first advance by another lender (either directly or indirectly, in whole or in part) or (ii) the Lands are sold by the Borrower, then the Borrower shall pay to the Agent, on behalf of the Lenders a make-whole fee equal to three (3) months' interest calculated on the outstanding principal balance of the Loan Facility upon the occurrence of such event (or in the case of several repayments, which in the aggregate repay the Loan Facility, upon the occurrence of the first of such repayments).

Until demand, each Term CORRA Loan shall be repayable at the end of the applicable Interest Period. Repayment of any Term CORRA Loan prior to the end of the applicable Interest Period shall be subject to the payment of the amount set out in Section 3(b) of Schedule A.

Until demand, and subject to the provisions of this Credit Agreement, the Borrower may make principal repayments on each Daily Compounded CORRA Loan in any amount on a monthly basis and up to four additional times during each fiscal year, and not more frequently, in each case, together with all accrued and unpaid interest in respect of such amounts.

No amount repaid or prepaid (whether scheduled, voluntary or mandatory) by the Borrower under the Loan Facility may be reborrowed.

2.7 Interest and Fees

The Borrower will pay:

- (a) to the Agent on behalf of the Lenders, interest on Canadian Prime Rate Advances under the Loan Facility at the Canadian Prime Rate plus **1.00%** per annum;

(b) for Daily Compounded CORRA Loans, Daily Compounded CORRA plus:

(i) **0.29547%** per annum,

In the event the aggregate of Daily Compounded CORRA plus the amount set out in (i) above is negative, the aggregate of such amounts (and, for certainty, not Daily Compounded CORRA) shall be deemed to be the Floor;

(ii) plus **3.00%** per annum,

calculated monthly in arrears on the daily balance of each Daily Compounded CORRA Loan, payable on the last day of each Interest Period;

(c) for Term CORRA Loans, the Term CORRA Reference Rate plus:

(i) a percentage per annum as set forth below for the applicable Interest Period:

<u>Interest Period</u>	<u>Percentage</u>
One month	0.29547%
Three months	0.32138%

In the event the aggregate of the Term CORRA Reference Rate plus the amount set out in clause (i) above is negative, the aggregate of such amounts (and, for certainty, not the Term CORRA Reference Rate) shall be deemed to be the Floor

(ii) plus **3.00%** per annum,

in each case, on the basis of a year of 365 days, calculated on the daily balance and payable:

(1) at the end of the applicable Interest Period; and

(2) on the date on which such Term CORRA Loan becomes due and payable (or is prepaid)

2.8 Intentionally Deleted

2.9 Fees

The following fees are payable as set forth below:

- (a) **Lenders' Fees.** The Borrower will pay to the Agent on behalf of the Lenders a loan application fee of **\$187,500** in connection with the Existing Credit Agreement, which has already been paid by the Borrower to the Agent and the Agent acknowledges receipt of same, which was shared on a pro rata basis by the Lenders.
- (b) **Agent's Fees.** The Borrower will pay to the Agent for the account of the Agent such non-refundable fees as agreed to between the Borrower and the Agent in a side letter to be entered into between them.

3. SECURITY

3.1 Security Documents

The liability, indebtedness and obligations of the Borrower to the Agent and the Lenders under the Loan Facility and this Credit Agreement (collectively, the "**Indebtedness**") will be evidenced, governed and secured, as the case may be, by the following documents (the "**Security Documents**") executed and delivered to the Agent for the benefit of the Lenders, in each case completed in form and manner satisfactory to the Agent and the Lenders:

On Hand:

- (a) mortgage and assignment of rents and leases, as modified (collectively, the "**Mortgage**") in the principal amount of **\$108,000,000** from the Nominee in favour of the Agent, creating a **first**, fixed and specific mortgage and charge over the Lands;
- (b) general security agreement from the Borrower and the Nominee in favour of the Agent creating a first priority security interest in all present and after acquired personal property of the Borrower and the Nominee with respect to the Lands;
- (c) mortgage of beneficial interest of the Lands from the Borrower and Nominee in favour of the Agent, as supplemented in connection with the modification of the Mortgage;
- (d) endorsement of an all risk insurance showing the Agent, on behalf of the Lenders, as first loss payee;
- (e) [Intentionally deleted];
- (f) unlimited joint and several guarantee and postponement of claims executed by the Guarantors, plus interest and costs as provided therein;
- (g) joint and several debt service agreement executed by the Guarantors;
- (h) joint and several environmental indemnity agreement executed by the Borrower, the Nominee and the Guarantors;
- (i) a postponement and standstill agreement with respect to the 1409658 Subordinate Loan and 1409658 Mortgage (the "**Subordinate Lender Postponement Agreement**");
- (j) a postponement and standstill agreement with respect to the Travelers Commitment Letter and the Travelers Security; and
- (k) such ancillary resolutions, directions to pay, certificates and legal opinions as the Agent, or its solicitors may reasonably request, including a legal opinion of Borrower's counsel addressed to the Agent and the Lenders and which provides that the opinion may be relied upon by the Agent and the Lenders and their respective successors and assigns.

3.2 Registration

The Mortgage will rank as a first mortgage, charge and security interest on the Lands, in priority to all other mortgages, charges, liens, encumbrances and security interests other than Permitted Encumbrances.

3.3 Confirmation

Each of the Credit Parties ratify, confirm, acknowledge and agree that each of the Security Documents previously executed by it remains in full force and effect and constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms and secures or guarantees, or continues to secure or guarantee, as the case may be, the Indebtedness.

4. CONDITIONS PRECEDENT

The conditions precedent to the Lenders' obligation to make the advance of the Loan Facility are set out in Section 5 of Schedule A (collectively, the "**Conditions Precedent**").

5. BORROWER'S COVENANTS AND CONDITIONS

The Borrower will comply with the covenants and conditions set out in this Credit Agreement and the Schedules.

6. FINANCIAL STATEMENTS AND REPORTS

The Borrower will deliver or cause to be delivered to the Agent sufficient copies for each of the Lenders of the following:

- (a) annually, within **150** days after the Borrower's fiscal year end, signed, audited financial statements for the Borrower;
- (b) annually, within **150** days after the GP's fiscal year end, accountant prepared consolidated financial statements for the GP, duly signed;
- (c) annually, within **150** days after the Nominee's fiscal year end, accountant prepared consolidated financial statements for the Nominee, duly signed;
- (d) annually, within **150** days after Brivia's fiscal year end:
 - (i) review engagement non-consolidated financial statements for Brivia's, duly signed; and
 - (ii) investment summary of Brivia's portfolio;
- (e) annually, within **150** days after the calendar year end, personal net worth statements for Ly;
- (f) annually, within **30** days of the due date thereof, evidence that all property taxes (including all charges, assessments, levies and fines or penalties) due with respect to the Lands have been paid in full to such date;

- (g) annually, within **30** days of new or renewed policies, copies of all insurance certificates for the Lands and evidence that all insurance premiums have been paid prior to the applicable expiry date for such policies;
- (h) such additional financial statements and information (including updated land title office and personal property registry searches) as and when reasonably requested by the Agent or the Lenders;
- (i) quarterly, an update to the Agent and the Lenders regarding the raise of balance of equity and execution of any agreements (including the amended and restated limited partnership agreement) related to the same, commencing in Quarter 3 of 2023; and
- (j) subscription agreements, side letters and put purchase agreement between Brvia Nelson Limited Partnership and BRE Fund GP Inc., which are to be provided to the Agent and the Lender as soon as they are finalized and in any event no later than October 31, 2023.

All financial information shall be prepared in accordance with GAAP. Financial statements shall include a detailed balance sheet, income statement, cash flow statement and contingent liability schedule.

7. CANCELLATION

This Credit Agreement will, at the option of the Lenders, lapse and the obligations of the Lenders will end if the Conditions Precedent and conditions of advance have not been met, and the Lenders and the Agent will be entitled to receive and retain all fees payable by the Borrower hereunder.

8. MATERIAL ADVERSE CHANGE

The Lenders shall not be required to close the Loan Facility and may terminate this Credit Agreement at any time prior to the advance of the Loan Facility if they determine, acting reasonably, that (i) there has occurred any change in the financial conditions, applicable laws or general accounting standards (in each case whether in Canada, the United States or other international markets), revolution, mobilization, political and civil unrest or insurrection, embargo, disturbance and riot; inclement weather including floods, storms, tornados, hurricanes, tsunamis, earthquakes, volcanic eruptions and landslides; explosions and fire; labour issues including disputes, walkouts, strikes, slowdowns, lockouts and picketing; damage, destruction or expropriation of the Lands, delays or defaults in or caused by, and shortages of, power, water, transportation and common carriers, facilities, labour, subcontractors, goods, materials and supplies; the non-availability of relevant markets and the state of the marketplace, which, in the opinion of the Lenders, acting reasonably, has a Material Adverse Effect. If the Lenders terminate this Credit Agreement and do not close the Loan Facility specifically due to the circumstances set out in this Section, the Lenders shall refund to the Borrower all deposits, application fees and commitment fees paid to the Lenders less the Agent's and Lender's reasonable out-of-pocket expenses in connection with the Loan Facility and this Credit Agreement.

9. CONDITIONS PRECEDENT TO EFFECTIVENESS

It is a condition precedent to the effectiveness of the amendment and restatement of the Existing Credit Agreement as set forth in this Credit Agreement that the Agent and the Lenders will have received and approved each of the following (in form and content satisfactory to the Agent and all of the Lenders in their sole discretion):

- (a) this Credit Agreement executed by the Credit Parties, the Agent and the Lenders;
- (b) the Interender Agreement executed by the Agent and the Lenders;
- (c) payment to the Agent on behalf of the Lenders a extension fee of **\$56,250**, in connection with this Credit Agreement which shall be (i) considered earned upon execution of this Credit Agreement by all parties, (ii) payable in full upon the date of this Credit Agreement, and (iii) shared among the Lenders as follows:
 - (i) **\$31,250** to RBC;
 - (ii) **\$15,625** to BMO; and
 - (iii) **\$9,375** to Meridian
- (d) payment of the Agent's fees as agreed to between the Borrower and the Agent in a side letter to be entered into between them; and
- (e) payment to the Agent of all legal fees and disbursements of the Agent's and the Lenders' lawyers in connection with this Credit Agreement.

10. NO NOVATION

It is expressly understood and agreed between the parties hereto that this Credit Agreement does not constitute a novation of the terms and conditions of the Loan Facility, the Existing Credit Agreement or the Security Documents. Nothing herein shall in any way release any Credit Party from its obligations to the Agent and the Lenders under the Loan Facility, the Existing Credit Agreement and the Security Documents.

11. COUNTERPARTS

This Credit Agreement and each other Loan Document may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by fax or other electronic transmission of an executed counterpart of a signature page to this Credit Agreement and each other Loan Document shall be effective as delivery of an original executed counterpart of this Credit Agreement and such other Loan Document. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Credit Agreement or any other Loan Document shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, as in provided Parts 2 and 3 of the Personal Information Protection and *Electronic Documents Act* (Canada), the

Electronic Commerce Act, 2000 (Ontario), the Electronic Transaction Act (British Columbia), the Electronic Transactions Act (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

[Signature Page to Follow]

Yours truly,

ROYAL BANK OF CANADA, as Lender

Per:

e-Signed by William Wang
on 2024-06-07 22:24:16 GMT

William Wang
Senior Director
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-06-07 22:30:58 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per:

Name: Matthew Shaver
Title: Authorized Signatory

Name: Kate Low
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name: Yanzhi Chen
Title: Authorized Signatory

Name: Rob Stansfield
Title: Authorized Signatory

ROYAL BANK OF CANADA, as Agent

Per:

e-Signed by Annie Lee
on 2024-06-08 14:55:36 GMT

Annie Lee
Associate Director
Agency Services Group

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Yours truly,

ROYAL BANK OF CANADA, as Lender

Per:

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per: E-SIGNED by MATTHEW SHAVER
on 2024-06-10 19:28:48 GMT

Name: Matthew Shaver
Title: Authorized Signatory

E-SIGNED by Kate Low
on 2024-06-10 19:39:27 GMT

Name: Kate Low
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name: Yanzhi Chen
Title: Authorized Signatory

Name: Rob Stansfield
Title: Authorized Signatory

ROYAL BANK OF CANADA, as Agent

Per:

Annie Lee
Associate Director
Agency Services Group

Yours truly,

ROYAL BANK OF CANADA, as Lender

Per:

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per:

Name: Matthew Shaver
Title: Authorized Signatory

Name: Kate Low
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name: Rob Stansfield
Title: VP, Corporate & Structured Finance

Name: Yanzhi Chen
Title: Director, Loan Syndications

ROYAL BANK OF CANADA, as Agent

Per:

Annie Lee
Associate Director
Agency Services Group

**ROYAL BANK OF CANADA, as Lead
Arranger**

Per:

e-Signed by Alfred Li
on 2024-06-07 22:23:48 GMT

Alfred Li
Head of Portfolio Management
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-06-07 22:31:02 GMT

Jeff Parkes
Vice President
Commercial Real Estate

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Each of the undersigned hereby acknowledges and agrees to the terms and conditions of this Credit Agreement as of the date set forth on page one.


THE BORROWER:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP

By its general partner

1075 NELSON DEVELOPMENT GP INC.

Per:




Kheng Ly
Authorized Signatory

I have authority to bind the Corporation and the Limited Partnership.

THE NOMINEE:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:



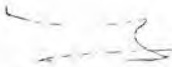
Name: Kheng Ly
Title: Authorized Signatory
I have authority to bind the Corporation.

- 13 -

THE GUARANTORS:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

BRIVIA FAMILY INVESTMENTS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

KHENG LY



WITNESS: Helen Bougas

SCHEDULE A

TERMS AND CONDITIONS

1059 AND 1075, NELSON STREET, VANCOUVER, BC

This Schedule forms part of the Credit Agreement. The Loan Facility as described in the Credit Agreement will also be subject to the following terms and conditions:

1. DEFINITIONS

For the purpose of the **Credit Agreement**, in addition to the terms defined in the body of the Credit Agreement the following terms will have the meanings indicated below:

"**1409658**" means 1409658 B.C. Ltd.

"**1409658 Mortgage**" means the existing mortgage CA9760141 and assignments of rents CA9760142 in favour of 1409658 (as transferred by Brivia Group Inc.) registered against title to the Lands together with related priority agreements.

"**1409658 Subordinate Loan**" means the loan in the principal amount of \$9,000,000 provided by 1409658 B.C. Ltd. (as transferred by Brivia Group Inc.) in favour of the Borrower, as borrower.

"**Adjusted Daily Compounded CORRA**" means, for purposes of any calculation, the rate per annum equal to (a) Daily Compounded CORRA for such calculation plus (b) the Daily Compounded CORRA Adjustment; provided, that to the extent if Adjusted Daily Compounded CORRA as so determined shall be less than the Floor, then Adjusted Daily Compounded CORRA shall be deemed to be the Floor.

"**Adjusted Term CORRA**" means, for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation plus (b) the Term CORRA Adjustment, provided that if Adjusted Term CORRA as so determined shall ever be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor.

"**Appraisal**" means an appraisal report prepared by a licensed appraiser acceptable to the Lenders, and addressed to the Agent and the Lenders in respect of the valuation of the Lands and any updated appraisal report as required by the Lenders and prepared by an accredited appraiser acceptable to the Lenders based on a mandate letter acceptable to the Lenders.

"**Borrowing**" means a use of the Loan Facility.

"**Business Day**" means:

- (a) with respect to the determination of Daily Compounded CORRA or Term CORRA, any day that is not a Saturday, Sunday or other day on which commercial banks in Toronto, Canada are authorized or required by law to remain closed; and
- (b) otherwise, any day, other than a Saturday, Sunday or statutory (or civic) holiday in Vancouver, British Columbia.

"Canadian Prime Rate" means, with respect to a Canadian Prime Rate Loan, on any day the greater of:

- (a) the annual rate of interest announced from time to time by the Agent as being its reference rate then in effect on such day for determining interest rates on Canadian Dollar denominated commercial loans made by it in Canada; and
- (b) Adjusted Term CORRA for an interest period of one month in effect from time to time plus 100 basis points per annum.

and provided that in no event shall the Canadian Prime Rate be less than zero for the purposes of this Credit Agreement. The Canadian Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Any change in the Canadian Prime Rate determined by the Agent shall be effective on the date the change becomes effective generally.

"Canadian Prime Rate Loan" means, a loan in Canadian dollars made by a Lender to the Borrower on which the interest rate is calculated with reference to the Canadian Prime Rate Loan.

"Change in Control" means any change to the current legal or organizational structure from that set out in Schedule F **"Ownership Structure"**, or any change to the direct or indirect control (being the ownership of the shares or units representing more than **50%** of the aggregate voting power of the entity) or ownership of the Credit Parties.

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada or any successor administrator.

"CORRA Borrowings" means Term CORRA Borrowings and Daily Compounded CORRA Borrowings.

"CORRA Loans" means Term CORRA Loans and Daily Compounded CORRA Loans.

"Credit Agreement" means this credit agreement between the Lenders, the Agent and the Credit Parties to which this Schedule A is attached, together with all of the other Schedules attached hereto, as amended, restated and replaced from time to time.

"Credit Parties" means, collectively, the Borrower, the Nominee and the Guarantors, and **"Credit Party"** means any one of them.

"Daily Compounded CORRA" means, for any day, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback of five Business Days) being established by the Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Canadian Governmental Body for determining compounded CORRA for business loans; provided that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Canadian Benchmark Replacement Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

"Daily Compounded CORRA Adjustment" means, with respect to Daily Compounded CORRA, for an Interest Period of a duration of one-month, a percentage equal to 0.29547% per annum (29.547 basis points).

"Daily Compounded CORRA Borrowing" means a Borrowing comprised of Daily Compounded CORRA Loans.

"Daily Compounded CORRA Loan" means a Loan Facility made pursuant to Section 2.4 that bears interest at a rate based on Adjusted Daily Compounded CORRA.

"Default" or **"Event of Default"** is defined in Section 9 of this Schedule A.

"Environmental Report" means, collectively, the environmental studies, investigations, reports (including, without limitation, phase 1 and, if required, phase 2 environmental site assessments) and remediation plans prepared by a reputable environmental consultant in respect of the Lands and provided to the Lenders prior to the execution of this Credit Agreement together with a letter, in each case, executed by such environmental consultant confirming the Agent and the Lenders may rely on same.

"Equity Contribution Requirement" means a minimum equity contribution by the Borrower to the Lands in the amount of **\$70,398,000**. The Borrower's equity contribution may be evidenced by way of paid invoices for costs related to the Lands and acceptable to the Agent and land uplift, as confirmed by an Appraisal acceptable to the Agent.

"Erroneous Payment" has the meaning assigned to it in Section 29(a) of this Schedule A.

"Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 29(d) of this Schedule A.

"Existing Credit Agreement" means the credit agreement dated May 11, 2023 between the Lenders, as lenders, the Agent as administrative and collateral agent for the Lenders, and the Credit Parties, as amended by an amendment dated July 7, 2023.

"Existing Interlender Agreement" means the existing interlender agreement dated May 11, 2023 made between the Agent and the Lenders, in connection with, *inter alia*, the relationship between the Lenders and the administration by the Agent of the Loan Facility, as amended by an amendment dated July 7, 2023.

"Floor" means a rate of interest equal to 0% per annum.

"Funding Account" means the account that the Agent designated for the purpose of the Lenders funding advances under the Loan Facility.

"GAAP" means Canadian generally accepted accounting principles applicable to private enterprises under Part II of the CPA Canada Handbook of the Chartered Professional Accountants of Canada, applicable as at the date on which the calculation is made or required to be made in accordance with GAAP and applied consistently.

"Governmental Authority" means any government, legislature or regulatory authority, agency, commission, law enforcement agency, board or court, tribunal or other law, regulation or rule making entity having or purporting to have jurisdiction on behalf of any nation, province, state,

municipality or country or other subdivision thereof or other jurisdiction, including any Relevant Governmental Body.

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to reorganization, arrangement, compromise or readjustment of debt, dissolution or winding up, or any similar legislation, and specifically includes for greater certainty the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding Up and Restructuring Act* (Canada) and any applicable corporations legislation, as each is amended from time to time.

"Interest Election Request" means a request by the Borrower, substantially in the form of Schedule D to convert or continue a Borrowing in accordance with Section 4 of this Schedule.

"Interest Period" means:

- (a) with respect to each Term CORRA Loan, the initial period (subject to availability) of one (1) or three (3) months commencing on and including the date specified in the Required Notice, or the rollover date, as the case may be, applicable to such Term CORRA Loan and ending on and excluding the last day of such initial period, and thereafter, each successive period (subject to availability) of approximately one (1) or three (3) months as selected by the Borrower and notified to the Agent in writing commencing on and including the last day of the prior Interest Period, as advised by the Agent; and
- (b) with respect to each Daily Compounded CORRA Loan, the initial period (subject to availability) of approximately one (1) month commencing on and including the date specified in the Required Notice applicable to such Daily Compounded CORRA Loan and ending on and excluding the last day of such initial period, and thereafter, each successive period (subject to availability) of approximately one (1) month commencing on and including the last day of the prior Interest Period, as advised by the Agent;

provided however that:

- (i) in the case of a rollover, the last day of each Interest Period shall also be the first day of the next Interest Period;
- (ii) the last day of each Interest Period shall be a Business Day and if not, the Borrower shall be deemed to have selected an Interest Period the last day of which is the first Business Day following the last day of the Interest Period selected by the Borrower, unless such first Business Day is in a succeeding calendar month, in which case, the last day of such Interest Period shall be the immediately preceding Business Day; and
- (iii) notwithstanding any of the foregoing, the last day of each Interest Period shall be on or before the Maturity Date.

otherwise, such period of time mutually agreed between the Lenders and the Borrower.

"Interlender Agreement" means the amended and restated interlender agreement dated as of the date hereof made between the Agent and the Lenders, in connection with, *inter alia*, the relationship between the Lenders and the administration by the Agent of the Loan Facility, amending and restating the Existing Interlender Agreement.

"Insurance Consultant" means Intech Risk Management Inc., or such other insurance consultant designated by the Agent from time to time and acceptable to the Borrower, acting reasonably.

"KingSett" means KingSett Mortgage Corporation.

"KingSett Mortgage" means the existing mortgage CA8965975 and assignment of rents CA8965976 in favour of KingSett registered against title to the Lands together with related priority agreements.

"KingSett Subordinate Loan" means the loan provided by KingSett Mortgage Corporation in favour of the Borrower, as borrower, as secured by the KingSett Mortgage.

"Lands" means the lands and premises legally described in Schedule C, comprising approximately 17,307 square feet.

"Legal Requirement" means all laws, statutes, codes, ordinances, orders, awards, judgments, decrees, injunctions, rules, regulations, authorizations, consents, approvals, orders, permits, franchises, licences, directions and requirements of any Governmental Authority, as in effect at any time and from time to time.

"Lender's Commitment" means the commitment by a Lender to provide the amount of the Loan Facility set opposite its name on Schedule B.

"Lender's Proportionate Share" or **"Proportionate Share"** is the amount of that Lender's Commitment divided by the Total Lenders' Commitments, unless adjusted in accordance with the Credit Agreement and the Interlender Agreement. References hereunder to **"prorated"**, **"pro rata"** or **"rateable portion"** means in accordance with each Lender's Proportionate Share.

"Lenders" means RBC, BMO and Meridian as the original lenders hereunder, and any other persons which may become lenders pursuant to this Credit Agreement, and their respective successors and permitted assigns, and **"Lender"** means any one of them.

"Limited Partnership Agreement" means the limited partnership agreement in respect of the Borrower dated April 29, 2021.

"Loan Documents" means this Credit Agreement, all present and future Security Documents, and all other present and future agreements, documents, certificates and instruments delivered by any Credit Party to the Agent or any Lender pursuant to or in respect of any such documents or the Loan Facility, in each case as the same may from time to time be supplemented, amended or restated, and **"Loan Document"** means any one of them.

"Loan Facility" is defined above in the letter portion of this Credit Agreement.

"LTV" means the loan to value ratio, expressed as percentage, which is determined at the applicable time by dividing the principal amount (plus any compounded interest) of the Loan Facility outstanding at any time by the value of the Lands, as determined by the most recent Appraisal delivered and acceptable to the Agent.

"Material Adverse Effect" means any event or occurrence which, when considered individually or together with other events or occurrences, has or could reasonably be expected to have a material adverse effect on:

- (a) the business, operations, results of operations, assets, liabilities or financial condition of any Credit Party, taken as a whole;
- (b) the environmental condition of any of the Lands;
- (c) the ability of any Credit Party to perform its respective obligations under any Loan Document;
- (d) the priority, effectiveness or enforceability of any Loan Document; or
- (e) the viability of the Lands or the anticipated revenue from the Lands,

In each case, as determined by the Agent and the Lenders, acting reasonably.

"Majority of the Lenders" means (i) if there are only two Lenders, both of them and (ii) if there are more than two Lenders, any two or more Lenders which have Lender's Commitments hereunder representing not less than **66.67%** of the Total Lenders' Commitments.

"Payment Notice" has the meaning assigned to it in Section 29(a).

"Payment Recipient" has the meaning assigned to it in Section 29(a).

"Periodic Term CORRA Determination Day" has the meaning assigned to it under the definition of Term CORRA.

"Permitted Encumbrances" means:

- (a) liens for taxes, rates, assessments or governmental charges not at the time due or delinquent or, if due or delinquent, the validity of which is being contested diligently and in good faith by appropriate proceedings by the Borrower and for which the Borrower, if required by the Lenders, has provided the Lenders with adequate security to pay in full the amount claimed;
- (b) undetermined or inchoate liens, charges and privileges incidental to current construction or current operations and statutory liens and charges claimed or held by any Governmental Authority, in each case which have not at the time been filed or registered against title to the Lands or served upon the Borrower pursuant to law or which relate to obligations not due or delinquent;
- (c) cash or governmental obligations deposited in the ordinary course of business in connection with contracts, bids or tenders or to secure workmen's compensation, unemployment insurance or other social security obligations, surety or appeal bonds, costs of litigation when required by law or governmental or statutory or public obligations;
- (d) security given to a public utility or any Governmental Authority in the ordinary course of business;
- (e) minor defects and irregularities which in the opinion of the Lenders, acting reasonably, do not materially impair the use or value of the Lands;

- (f) development agreements, rights of way, easements, restrictive covenants, building schemes and other like encumbrances in favour of applicable Governmental Authority or public or private utilities required in connection with the development of the Lands;
- (g) reservations, limitations, provisos and conditions expressed in any original grant from the Crown;
- (h) the existing non-financial encumbrances registered on title to the Lands as at the date of this Credit Agreement;
- (i) the Security Documents and any other assignment, mortgage, pledge, charge, security interest or other encumbrance granted in favour of the Agent or the Lenders pursuant to this Credit Agreement;
- (j) the 1409658 Mortgage, provided such security is subject to a postponement and standstill agreement in form and substance acceptable to the Agent and the Lenders;
- (k) the security granted by the Borrower and the Guarantors to Travelers Insurance Company of Canada (the "**Travelers Security**"), securing the Borrower's obligations under the commitment letter (the "**Travelers Commitment Letter**") dated May 15, 2023 issued by Travelers Insurance Company of Canada to the Brivia Group for the benefit of the Borrower; provided such security is subject to a postponement and standstill agreement in form and substance acceptable to the Agent and the Lenders; and
- (l) any other encumbrance consented to in writing by all of the Lenders.

Provided, however, that the designation of an encumbrance as a "**Permitted Encumbrance**" is not, and shall not be deemed to be, an acknowledgment by the Agent or any Lender that the encumbrance shall have priority over the Security Documents or claims of the Agent and the Lenders against the Lands, the Nominee, the Borrower or any of its assets.

"**Person**" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"**Property Account**" means the bank account of the Borrower established and maintained by the Agent at its branch in Vancouver for the purpose of providing advances to the Borrower, for payments by the Borrower under the Loan Facility and for the purpose of the Borrower depositing all rents and other revenues derived from or in connection with the Lands.

"**Relevant Governmental Body**" means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

"**Required Notice**" means:

- (a) with respect to Canadian Prime Rate Advances, the delivery by the Borrower to the Agent of a notice, not later than 8:00 a.m. Vancouver time not less than 1 Business Day immediately preceding the date on which:
 - (i) a Canadian Prime Rate Advance is to be made, or

- (ii) a rollover is to be made from one interest option to a Canadian Prime Rate Advance, or a rollover of an existing Canadian Prime Rate loan on maturity to the same type of loan,

or as the case may be,

- (b) with respect to Daily Compounded CORRA Loans or Term CORRA Loans, the delivery by the Borrower to the Agent of a notice, not later than 8:00 a.m. Vancouver time not less than 3 Business Days immediately preceding the date on which:

- (i) an advance is to be made; or
- (ii) a rollover is to be made from one interest option to either a Daily Compounded CORRA Loan or Term CORRA Loan, or a rollover of an existing Daily Compounded CORRA Loan or Term CORRA Loan on maturity to the same type of loan,

or as the case may be.

"Sanctions" means any economic, trade or embargo imposed on, or other restrictions on engaging in dealings or transactions with, an individual, group, entity, territory or country, which are administered or enforced under applicable Sanctions Laws.

"Sanctions Laws" means all laws relating to Sanctions administered or enforced by an Authority, including (without limitation) the Office of Foreign Assets Control and the U.S. Department of State, Global Affairs Canada, the Department of Public Safety of Canada, the United Nations Security Council, the Office of Financial Sanctions Implementation, the European Union or relevant member states of the European Union.

"Schedule I Lender" means any Lender named on Schedule I to the *Bank Act* (Canada).

"Term CORRA Adjustment" means, with respect to Term CORRA, for an Interest Period of a duration of (a) one-month, a percentage equal to 0.29547% per annum (29.547 basis points), and (b) three-months, a percentage equal to 0.32138% per annum (32.138 basis points).

"Term CORRA Administrator" means Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

"Term CORRA" means, for any calculation with respect to a Term CORRA Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **"Periodic Term CORRA Determination Day"**) that is two (2) Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Canadian Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day; provided, however, if the Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator more than three (3) Business Days prior to such

Periodic Term CORRA Determination Day, then Term CORRA will be the interest rate (expressed as a rate per annum on the basis of a year of 365 days) for a comparable tenor quoted by the Agent as of such Periodic Term CORRA Determination Day.

"Term CORRA Borrowing" means a Borrowing comprised of Term CORRA Loans.

"Term CORRA Loan" means a Loan made pursuant to Section 2.4 that bears interest at a rate based on Adjusted Term CORRA other than pursuant to clause (b) of the definition of "Canadian Prime Rate"

"Term CORRA Reference Rate" means the forward-looking term rate based on CORRA.

"Total Lenders' Commitments" means the aggregate amount of the Lenders' Commitments.

2. REPRESENTATIONS AND WARRANTIES

Each of the Credit Parties represents and warrants, as at the respective date of execution and delivery by the Credit Parties of the Credit Agreement that:

- (a) if a corporation, it is incorporated or amalgamated and existing under its jurisdiction of incorporation, and if a limited partnership, it is duly formed and subsisting and registered pursuant to the applicable provincial partnership legislation, and in each case is registered and entitled to conduct its business in all jurisdictions in which it carries on business or has assets;
- (b) the execution of the Credit Agreement and the Security Documents by it and the granting of security, incurring of liability and indebtedness to the Lenders does not contravene:
 - (i) any Legal Requirement applicable to it;
 - (ii) any provision contained in its respective constituting documents; or
 - (iii) any provision contained in any other agreement or contract to which it is a party, if contravention has or is reasonably likely to have a Material Adverse Effect;
- (c) the Credit Agreement and the Loan Documents to which it is a party have been duly authorized, executed and delivered by it (and in the case of a limited partnership, its general partner) and constitutes valid and binding obligations and are enforceable against it in accordance with their respective terms, except as enforcement may be limited by laws generally affecting the rights of creditors;
- (d) the Borrower is in compliance with and all necessary Legal Requirements have been met;
- (e) the ownership of the Borrower and Nominee is as set forth in Schedule F and will not change prior to the repayment in full of the Loan Facility, except as permitted under this Credit Agreement;
- (f) the Nominee is the sole registered owner of the Lands and holds good and valid marketable title in fee simple thereto for and on behalf of the Borrower as the sole beneficial owner thereof;

- (g) there are no material actions, claims, liens or proceedings existing or pending against or with respect to the Lands or any Credit Party which could result in a Material Adverse Effect;
- (h) no Event of Default has occurred;
- (i) it is not in material default under any other loan agreement or debt instrument, which if not remedied could have a Material Adverse Effect;
- (j) the Borrower is in compliance with all terms and conditions of all insurance policies issued in respect of the Lands and required under this Credit Agreement;
- (k) the Borrower will open and administer all holdback accounts in connection with the Lands when required under, and in full compliance with, the *Builders Lien Act* (British Columbia);
- (l) it has filed all federal, provincial, municipal and other tax returns which are required to be filed and paid all taxes when due pursuant to such returns or pursuant to any assessment received by it, which could constitute a lien against the Lands in priority to the Loan Documents;
- (m) its jurisdiction of incorporation or formation, location and "chief executive office" (within the meaning of the *Personal Property Security Act* (British Columbia)) is located in the Province of British Columbia;
- (n) the Borrower is not a charity registered with the Canada Revenue Agency and does not solicit charitable financial donations for its own benefit from the public; and
- (o) no Borrowing and none of the other services or products to be provided under or in connection with the Loan Facility will be used by, on behalf of or for the benefit of any other person other than in accordance with this Credit Agreement.

Each Credit Party also represents and warrants, as at the respective date of execution and delivery by it of the Credit Agreement, that it has disclosed all material facts with respect to the transactions contemplated hereby of which it has knowledge and that all financial and other information provided by it to the Agent and the Lenders in connection with the Loan Facility is true, complete and accurate in all material respects, and in compliance with GAAP and acknowledges that the offer of credit contained in the Credit Agreement is made in reliance on the material truth, completeness and accuracy of this information and the representations and warranties contained in the Credit Agreement.

Each Credit Party warrants that neither it, nor to its knowledge any of its affiliates and their respective directors, officers, employees and agents: (a) is, or is owned or controlled by, a person, group or entity that is (i) the subject of any Sanctions, or (ii) is located, organized or resident in a country or territory that is the subject of Sanctions; (b) has engaged, or will engage, in any dealings or transactions with or for the benefit of any person, group or entity, or in any country or territory, that at the time of the dealing or transaction was the subject of Sanctions; (c) is in violation of any Sanctions Laws; (d) is engaged in or will engage in any transaction contemplated by this Agreement that evades or avoids, or has the purpose of evading or avoiding, or violates or attempts to violate, any of the prohibitions set forth in any Sanctions Laws; and (e) will, directly or indirectly, use the proceeds of the transaction contemplated by this Agreement, or lend, contribute or otherwise make available such proceeds to any other person,

in any manner that violates any Sanctions Laws applicable to any party hereto, including for the purpose of funding, financing or facilitating (i) any activities of, or business with, any person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or (ii) any other transaction that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

3. INTEREST, FEES, PAYMENT AND RIGHTS

- (a) Interest on the daily balance of the principal amount outstanding under the Loan Facility and remaining unpaid from time to time, including, without limitation, amounts advanced by the Lenders under the Loan Facility, will be payable by the Borrower to the Agent as set out in the Credit Agreement both before and after demand, maturity, default and judgment. Notwithstanding anything to the contrary contained in this Credit Agreement, the parties acknowledge that the applicable rate of interest payable by the Borrower in connection with this Credit Agreement shall not be less than zero, even if the total of a reference rate used for the calculation of such interest and any applicable interest spread is less than zero, in which case the applicable rate of interest shall be zero.
- (b) If the Borrower repays any portion of the Loan Facility accruing interest based on Term CORRA on a date other than the expiration of the selected Interest Period, whether as a result of a demand for repayment by the Agent or otherwise, it shall also concurrently pay to the Agent the amount as required in Section 33 of this Schedule A.
- (c) Advances under the Loan Facility will bear interest from the date of advance at the rate of interest set out in the Credit Agreement and will accrue daily on the basis of a year consisting of (a) 365 or 366 days with respect to Canadian Prime Rate Advances, and payable monthly in arrears on the 1st Business Day of each month; and (b) 365 days with respect to CORRA Loans, payable monthly in arrears on the last day of the Interest Period. Interest on overdue interest shall be calculated at the same rate as interest on the advances in respect of which interest is overdue, but shall be payable on demand, both before and after demand and judgment.
- (d) The fees collected by the Agent on its own behalf and on behalf of each of the Lenders will be each party's respective property as consideration for the time, effort and expense incurred by it in the review and administration of documents and financial statements, and the Borrower acknowledges and agrees that the determination of these costs is not feasible and that the fees set out in the Credit Agreement represent a reasonable estimate of such costs.
- (e) All payments by the Borrower hereunder will be made to the Property Account, maintained by the Agent. Any payment delivered or made to the Agent by 11:00 a.m. Vancouver time will be credited as of that day, but if made afterwards will be credited as of the next Business Day on which the said branch is open for business.
- (f) All payments of principal, interest and fees in respect of the Loan Facility will be made for the account of, and distributed by the Agent to, the Lenders pro rata, on the basis of each Lender's Proportionate Share, unless otherwise agreed to by the Lenders.
- (g) The Borrower acknowledges that the actual recording of the amount of any advance or repayment thereof under the Loan Facility, and interest, fees and other amounts due in connection with the Loan Facility, in the Property Account, as maintained by the Agent will constitute, in the absence of manifest error, conclusive evidence of the Borrower's

indebtedness and liability to the Agent and the Lenders from time to time under the Loan Facility; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Loan Facility will not be affected by the failure of the Agent to make such recording. The Borrower also acknowledges being indebted to the Agent and each Lender for principal amounts shown as outstanding from time to time in the Agent's account records, and all accrued and unpaid interest in respect of such amounts, in accordance with the terms and conditions of this Credit Agreement.

- (h) The obligation of the Borrower to make all payments under the Credit Agreement and the Security Documents will be absolute and unconditional and will not be limited or affected by any circumstance, including, without limitation:
 - (i) any set-off, compensation, counterclaim, recoupment, defence or other right which the Borrower may have against the Agent or a Lender or anyone else for any reason whatsoever; or
 - (ii) any insolvency, bankruptcy, reorganization or similar proceedings by or against the Borrower or any other person.
- (i) In addition to and not in limitation of any rights now or hereafter available to the Lenders whether under applicable law or arising in the Security Documents, following the occurrence of an Event of Default which is continuing, each Lender is authorized, at any time and from time to time, without notice to the Borrower, to set-off and appropriate and to apply any and all deposits (general and special) and any other indebtedness at any time held by or owing by the Lender to or for the credit of the Borrower against and on account of the obligations and liabilities of the Borrower to the Agent and the Lenders under this Credit Agreement. Each Lender agrees to provide written notice to the Agent of the exercise by it of any of the rights under this Section immediately after the exercise by it of such rights. If, by exercising any right of set-off or counterclaim or otherwise, a Lender obtains any payment or other reduction that results in such Lender receiving payment or other reduction of a proportion of the amount owing to it under the Loan Facility greater than its pro rata share thereof, then it will so notify the Agent and make such adjustments as shall be equitable so that the benefit of all such payments and reductions shall be shared rateably by the Lenders in accordance with their respective Proportionate Shares.
- (j) The remedies, rights and powers of the Agent and the Lenders under this Credit Agreement, the Security Documents and at law and in equity are cumulative and not alternative and are not in substitution for any other remedies, rights or powers of the Agent and the Lenders and no delay or omission in exercise of such remedy, right or power will exhaust such remedies, rights or powers or be construed as a waiver of any of them.

4. INTEREST ELECTION

- (a) Each Borrowing under the Loan Facility initially shall be of the type specified in the applicable Required Notice, and in the case of a Term CORRA Loan shall have an initial Interest Period as specified in such Required Notice. Thereafter, the Borrower may elect to convert such Borrowing to a different type or to continue such Borrowing and, in the case of a Term CORRA Loan, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of

the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders according to each Lender's Proportionate Share of such Borrowing, and the advances comprising each such portion shall be considered a separate Borrowing.

- (b) To make an election pursuant to this Section, the Borrower shall notify the Agent of such election by delivering a written Interest Election Request signed by the Borrower by the time that a Required Notice would be required if the Borrower was requesting a Borrowing of the type resulting from such election to be made on the effective date of such election. Each such Interest Election Request shall be irrevocable.
- (c) Each Interest Election Request shall specify the following information:
 - (i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
 - (ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;
 - (iii) whether the resulting Borrowing is to be a Canadian Prime Rate Advance, a Term CORRA Loan or a Daily Compounded CORRA Loan; and
 - (iv) if the resulting Borrowing is to be a Term CORRA Loan, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period"

If any such Interest Election Request requests a Term CORRA Loan but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one (1) month's duration.

- (d) Promptly following receipt of an Interest Election Request in accordance with this Section, the Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.
- (e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to a Canadian Prime Rate Advance. Notwithstanding any contrary provision hereof, if a Default has occurred and is continuing and the Agent, at the request of the Majority of the Lenders, so notifies the Borrower, then, so long as a Default is continuing, (i) no outstanding Borrowing may be converted to or continued as a Term CORRA Loan or Daily Compounded CORRA Loan and (ii) unless repaid, each Term CORRA Loan and Daily Compounded CORRA Loan, as applicable, shall be converted to a Canadian Prime Rate Advance at the end of the Interest Period applicable thereto.
- (f) If the Borrower specifies in the Interest Election Request an effective date for an election made pursuant to such Interest Election Request that is a day other than the last day of the applicable Interest Period, the Borrower shall be required to pay to the Agent and the

Lenders the required amount set out in Section 33 of this Schedule A. The Borrower shall not specify such an effective date as a day other than the last day of the applicable Interest Period more than two (2) times per annum.

5. CONDITIONS PRECEDENT TO ADVANCE

5.1 Conditions Precedent to Advance of the Loan Facility

It is a condition precedent to the advance of the Loan Facility that the Agent and the Lenders will have received prior to the advance each of the following in form and content satisfactory to the Agent and all of the Lenders in their sole discretion, each acting reasonably.

- (a) the Credit Agreement and Security Documents, executed and, where necessary, registered with the priority required by this Credit Agreement;
- (b) legal opinion from counsel for the Credit Parties with respect to the due authorization, execution and delivery of the Credit Agreement and the Security Documents;
- (c) copies of the constituting or organizational documents pertaining to the Credit Parties including, as applicable, shareholder agreements, limited partnership agreements, copies of certificates of incorporation and good standing, list of limited partners, register of directors and register of shareholders confirming the ownership of the Borrower as set out in Schedule F;
- (d) certified organizational chart showing all registered and beneficial ownership interests in the Borrower and Nominee with percentage break-outs for each entity;
- (e) receipt and review by the Lender and its counsel of the following executed documents: (i) the purchase and sale agreement (and all amendments and assignments thereto) in connection with the Lands confirming a purchase price of approximately **\$80,485,266.96** (excluding taxes); (ii) the declaration of trust between the Nominee and the Borrower with respect to the Lands, and (iii) any relevant closing documents or ownership documents related to the Borrower's acquisition of the Lands;
- (f) copies of most recent financial statements (prepared on a review basis by an accounting firm acceptable to the Agent) and, in the case of Kheng Ly, a personal net worth statement of the Guarantors, plus any other supporting financial information as may be required by the Lenders, acting reasonably, all to be in a form and content satisfactory to the Lenders, acting reasonably;
- (g) the Lenders will have received, prior to the execution and delivery of the Credit Agreement by the Lenders, all identification and other due diligence materials with respect to such of the Credit Parties as required by the Lenders, including ultimate beneficial owners of the Borrower as necessary, to all allow each Lender to comply with its legal obligations under all applicable anti-money laundering and anti-terrorism laws and regulations, to which such Lender may be subject (including, without limitation, the AMLA and any "Know Your Client" due diligence requirements);
- (h) satisfactory evidence of the Borrower's Equity Contribution Requirement;
- (i) title report from the Borrower's counsel, in form and content satisfactory to the Lenders and their solicitor, in lieu of title insurance;

- (j) recently prepared Appraisal for the Lands addressed to the Agent in form and content approved by the Agent confirming that the fair market value of the Lands "as-is" of no less than **\$159,000,000**. Any Appraisal addressed to the Borrower will be accompanied by a transmittal letter from the appraiser addressed to the Agent confirming the validity of such Appraisal and its suitability for mortgage purposes;
- (k) the Environmental Report for the Lands that is acceptable to the Lenders confirming the environmental condition of the Lands is satisfactory, together with a transmittal letter addressed to the Agent;
- (l) a certificate of insurance in respect of the Lands required to be maintained, in form, scope and content, and from an insurer, acceptable to the Lenders;
- (m) letter from the Lenders' Insurance Consultant addressed to the Agent confirming the adequacy of the above insurance and that the insurance certificate is in a satisfactory form
- (n) a satisfactory visual site inspection of the Lands by a representative of each of the Lenders, if so required by the respective Lenders;
- (o) evidence that all property taxes, assessments, levies or charges for the Lands are current and paid to date;
- (p) the Borrower shall have established with the Agent the Property Account;
- (q) [Intentionally deleted];
- (r) a surveyor certificate or plan confirming no encroachments by or onto the Lands, as provided in the plan enclosed in the title report from Borrower's counsel;
- (s) satisfactory review and approval by the Lenders and the Lenders' quantity surveyor of all predevelopment costs incurred by the Borrower with respect to the Lands, including in accordance with the letter from BTY Group dated July 8, 2022;
- (t) confirmation of binding financing commitments from the Lenders in an aggregate amount of **\$90,000,000** as evidenced by the signing of the Existing Credit Agreement or an amendment thereto;
- (u) the Existing Interlender Agreement has been executed by the Lenders;
- (v) satisfactory review by the Lenders and the Lenders' lawyers of the Travelers Commitment Letter and the Travelers Security;
- (w) payout statement with respect to the payout of the KingSett Subordinate Loan;
- (x) [Intentionally deleted]; and
- (y) such priority agreements as may be required in order to give the Agent on behalf of the Lenders a first priority mortgage charge and security interest in the Lands, subject only to Permitted Encumbrances;

- (z) all fees and all expenses due and payable under this Credit Agreement to the Lenders, the Agent and the Lenders' lawyers have been paid or shall be paid from the advance of the Loan Facility;
- (aa) copy of the Land Title Office sub-search and a satisfactory title report on the Lands from the Lenders' lawyers on the date of the advance under the Loan Facility confirming the registration of the Mortgage, as a first financial charge of the Lands upon registration of the Subordinate Lender Postponement Agreement and that no other encumbrances have been registered against the Lands other than Permitted Encumbrances;
- (bb) confirmation that no Material Adverse Effect has occurred; and
- (cc) the Borrower is in compliance with each of the terms and conditions of the Credit Agreement in all material respects.

6. CONDITIONS AND PROCEDURES OF ADVANCE

6.1 Advance Procedure

Following receipt of the Required Notice and the above items by the Agent, as applicable, the following provisions will apply:

- (a) The Agent will provide copies of the Required Notice to each Lender, request the Lenders to confirm that the Conditions Precedent to the advance have been satisfied, and advise the Lender of its pro rata portion of such advance.
- (b) Each Lender will be solely responsible for reviewing the contents of the Required Notice and satisfying itself as to the contents thereof and that the Conditions Precedent to the advance have been satisfied. The Agent shall have no responsibility to the Lenders to review any of the forgoing items.
- (c) With respect to the first advance of the Loan Facility, if **all of the Lenders** have determined that the Conditions Precedent to the advance have been satisfied, then all of the Lenders are required to make their rateable portion of the advance on the date of advance (the "**Advance Date**"). Each of the Lenders shall so advise the Agent and the other Lenders of this determination not later than 12:00 noon (Vancouver time) of the Business Day preceding the Advance Date, failing which the Lender shall be deemed to have determined that the Conditions Precedent have been satisfied.
- (d) If the Lenders have determined that the Conditions Precedent to the advance have been satisfied as set forth in (c) above, then each Lender will before 12:00 noon (Vancouver time) on the Advance Date deposit to the Funding Account for value in immediately available funds such Lender's rateable portion of such advance.
- (e) The Agent will obtain on the Advance Date, at the Borrower's cost, a satisfactory report from the Lenders' lawyer together with a Land Title Office sub-search of the Lands immediately prior to the advance, showing the Lands as being duly registered in the name of the Nominee and encumbered only by the Mortgage and the Permitted Encumbrances.

- (f) Upon receipt by the Agent of such funds from all of the Lenders, and satisfaction of Section 6.1(e), the Agent will make such funds available to the Borrower by depositing such funds to the Property Account
- (g) If the Agent has made funds available to the Borrower on the assumption that all of the Lenders will make their Proportionate Share of the advance available to the Agent, and any Lender has failed to do so, the Agent shall provide a certificate to the Borrower setting forth the amount not advanced by such Lender and the Borrower, without prejudice to any rights the Borrower may have against such Lender, will forthwith repay such amount to the Agent.
- (h) The failure of any Lender to make its Proportionate Share of the advance shall not relieve any other Lender of its obligation, if any, to make its Proportionate Share of the advance on the Advance Date. No Lender shall be responsible to the Borrower or any other Lender for the failure of any other Lender to make the Proportionate Share of the advance to be made by such other Lender on the date of any advance, nor shall any Lender be obligated to make any advance that exceeds its Proportionate Share of the combined advance being made by the Lenders.

6.2 Waiver

The terms and conditions stated in this Section are inserted for the sole benefit of the Agent and the Lenders and may be waived by them in whole or in part and with or without terms or conditions in respect of all or any advances.

7. COVENANTS AND CONDITIONS

In addition to the covenants and conditions set out elsewhere in the Credit Agreement, the following covenants and conditions apply until the Loan Facility is repaid in full and cancelled:

- (a) The Borrower will not, and will not permit the Nominee to, without the prior written consent of the Lenders:
 - (i) grant or allow any lien, charge, security interest, privilege, hypothec or other encumbrance, whether fixed or floating, to be registered against or exist on any of its assets including any part of the Lands, other than Permitted Encumbrances;
 - (ii) sell, assign, transfer, grant any option over, dispose of, mortgage or charge its interest in the Lands, in whole or in part, directly or indirectly, including a transfer of shares, a limited partnership interest or a partnership interest or a corporate capitalization or reorganization that results in a Change in Control;
 - (iii) become guarantor or endorser or otherwise become liable upon any note or other obligation other than as permitted under the Credit Agreement and the Loan Documents;
 - (iv) incur any indebtedness for borrowed money, other than Permitted Encumbrances;

- (v) declare or pay any dividends on any class or kind of its shares or limited partnership units, repurchase or redeem any of its shares or units or reduce its capital in any way whatsoever or repay any shareholders' loans.
 - (vi) carry on any business other than (i) the operation of the Lands (including the rental, management and marketing activities with respect to the existing improvements thereon), and (ii) the development of the Lands and the construction of the proposed project thereon, including any marketing activities with respect thereto, or
 - (vii) permit any property taxes, assessments, levies or charges for the Lands to be past due at any time; or
 - (viii) except for any tenancies existing at the time of acquisition of the Lands, grant any leases with respect to or otherwise part with possession of all or any part of the Lands, except for residential leases entered into in the ordinary course of business, in keeping with leasing standards for similar businesses in the relevant market, and in a form of lease acceptable to the Lenders (acting reasonably).
- (b) Each of the Guarantors and the Borrower will not, and will not permit the Nominee to, without the prior written consent of the Lenders, amalgamate, merge or otherwise enter into any form of business combination with any person, permit all or substantially all of its assets to be acquired by any other person, firm or corporation or permit a Change in Control.
- (c) The Borrower will and, where applicable, will cause the Nominee to:
- (i) provide the Agent with prompt notice of any material change or default or of receipt of a notice of default with respect to any agreement concerning the Lands;
 - (ii) ensure that the LTV is not greater than or equal to **60%** at any time. The Borrower shall promptly (in no later than 45 days) obtain and deliver updated Appraisals to the Lenders, if requested by the Agent (not more frequently than once per annum).

In the event the LTV meets or exceeds 60%, at any time, the Borrower shall within 60 days of a request by the Agent (acting on the instructions of the Lenders) post cash collateral with the Agent in an amount necessary to reduce the Loan Facility in order to reduce the LTV under 60%, or alternatively, prepay such a portion of the principal amount of the Loan Facility (without penalty) as required to reduce the LTV under 60%.
 - (iii) [Intentionally deleted];
 - (iv) provide consents from all parties to any material reciprocal easement and operating agreements and related agreements, together with estoppel certificates to which the Borrower is entitled, as required by the Agent or the Lenders from time to time;
 - (v) in the event that any Material Adverse Effect occurs from time to time as determined by the Lenders, acting reasonably, provide, at the Borrower's cost,

an updated Appraisal for the Lands addressed to the Lenders in form and content approved by the Lenders confirming the fair market value of the Lands. Any Appraisal addressed to the Borrower will be accompanied by a transmittal letter from the appraiser addressed to the Lenders confirming the validity of such Appraisal and its suitability for mortgage purposes;

- (vi) comply with all terms and conditions of the Permitted Encumbrances;
- (vii) take out and maintain appropriate property and liability insurance with respect to the Lands (provided that such insurance shall be in form, scope and content, and from an insurer acceptable to the Lenders) and comply with all terms and conditions of all insurance policies issued in respect of the Lands in all material respects;
- (viii) cause the insurance money under all policies required under Section 7(c)(vii) of Schedule A to be made payable to the Agent as its interests may appear. The Borrower and the Nominee shall from time to time do, sign, execute or endorse all transfers, assignments, cheques, loss claims, receipts, writings and things necessary or desirable for the purposes aforesaid; in the event that the Borrower or the Nominee fails to do so within a reasonable time following a request by the Agent, the Borrower and the Nominee hereby irrevocably appoints the Agent or its attorney to do, sign, execute and endorse such transfers, assignments, cheques, loss claims, receipts, writings and things in the name of the Borrower and the Nominee and on its behalf as the Agent may deem necessary or advisable;
- (ix) cause its insurance consultant to provide the Agent immediately prior to the expiry date of any insurance policy confirmation that such insurance has been renewed and shall provide an updated certificate of insurance or other evidence of renewal from the insurer within 10 days of the preceding expiry date;
- (x) comply with all Legal Requirements, including the *Builders Lien Act*;
- (xi) establish, maintain and operate the holdback accounts in the manner required by the *Builders Lien Act*;
- (xii) establish, maintain and operate the Property Account and ensure all funds received relating to the Loan Facility shall be deposited to and all disbursements for accounts payable and otherwise shall be paid from the Property Account;
- (xiii) deposit all rents and revenues from the Lands into the Property Account;
- (xiv) immediately, and in any event prior to any advance and within 15 days after registration, remove any builders lien registered against the title to the Lands at its own cost and expense and from its own resources;
- (xv) provide to the Lenders a right of first offer for any future financing of any construction on the Lands, including the proposed project;
- (xvi) promptly upon becoming aware of same, give written notice to the Agent of any litigation, proceeding or dispute affecting the Borrower, the Nominee or the Lands, which could have a Material Adverse Effect;

- (xvii) advise the Agent promptly upon becoming aware of the occurrence of an Event of Default;
 - (xviii) use all funds from the Loan Facility for its exclusive use and in connection only with the Lands and the proposed project to be constructed on the Lands; and
 - (xix) obtain any reliance letters regarding appraisal, engineering cost, environmental and other such consultant reports as may be required by the Lenders.
- (d) The Agent and the Lenders, acting reasonably, shall be entitled to retain at the Borrower's expense:
- (i) an Insurance Consultant to review and advise the Agent and the Lenders regarding the insurance coverage for the Lands; and
 - (ii) an environmental consultant to review and advise the Agent and the Lenders regarding environmental matters relating to the Lands.
- (e) The Agent and the Lenders may from time to time, acting reasonably, expand or vary the scope of the role of any consultant retained to assist the Agent and the Lenders.
- (f) Any amount payable by the Borrower to the Agent on behalf of the Lenders may be debited by the Agent or the applicable Lender to any account of the Borrower with the Agent or any of the Lenders.
- (g) In the event there are any changes in GAAP, or the application of alternative standards or calculation methods within GAAP, or changes in the reporting standards or presentation of financial statements arising from changes within GAAP, that would detrimentally impact the underwriting requirements of any financial ratios such as a debt servicing ratio or requirements set forth in this Credit Agreement or any of the Security Documents, the Borrower will negotiate in good faith with the Lenders to amend such ratios, if applicable, to preserve the original intent of the ratios agreed upon prior to such changes to GAAP.
- (h) The Lenders will have the right to waive the delivery of any Security Documents or the performance of any term or condition of the Credit Agreement, and may advance all or any portion of the Loan Facility prior to satisfaction of any of the Conditions Precedent, but waiver by the Lenders of any obligation or condition will not constitute a waiver of such obligation or condition for any future advance.

8. REPAYMENT

8.1 Application of Proceeds: Permanent Reduction of Loan Facility

Any payments received by the Agent under this Part 8 shall be received on behalf of and for the account of the Lenders and shall be applied towards:

- (a) **first**, repayment of any amounts outstanding under the Loan Facility until it is repaid in full and cancelled;
- (b) **second**, cash collateralization on a dollar for dollar basis for any contingent obligations; and

- (c) **third**, towards any other amounts payable hereunder.

All such amounts repaid shall result in a permanent reduction of the Loan Facility and of each Lender's Commitments with respect to the Loan Facility.

9. DEFAULT

9.1 Events of Default

The Loan Facility, accrued interest thereon and all other Indebtedness and liability of the Borrower to the Lenders under this Credit Agreement and the Loan Documents shall, at the option of the Lenders, immediately become due and payable and the Loan Documents will become enforceable upon the happening of any one or more of the following events (each a "**Default**" or an "**Event of Default**"):

- (a) **Default in Payment**. If the Borrower or any Credit Party makes default in any payment of principal, interest or any other amount payable by it hereunder or under any of the Loan Documents when the same becomes due;
- (b) **Default under Specific Covenants**. If there is a breach of the covenant set forth in Schedule A Section 7(c)(ii) of this Credit Agreement, and such default continues for five (5) Business Days after notice of such default has been given by the Agent to the Borrower;
- (c) **Default in Performance**. If any Credit Party fails to observe or perform or is in breach of any agreement, covenant, condition or obligation applicable to it under this Credit Agreement or the Loan Documents, other than an agreement or a covenant, condition or obligation the breach or default in performance of which is specifically dealt with elsewhere in this Section 9, and the Borrower fails to rectify such default within 30 days of receipt of written notice from the Agent specifying the nature of such default, or if such default is not capable of being cured in 30 days, such longer period acceptable to the Lenders in their discretion, provided that such Credit Party is diligently proceeding to cure such default, provides regular detailed reports of its efforts to the Agent, and provides such security, if any, as the Lenders may require;
- (d) **Misrepresentation**. If any representation or warranty given by any Credit Party herein or in any of the Loan Documents or any officer's certificate or other document provided in connection with the Loan Facility is untrue in any material respect;
- (e) **Winding-Up**. If an order is made or a resolution is passed for the winding up of any Credit Party, or if a petition is filed for the winding up of any Credit Party, unless such Credit Party contests same in good faith and provides or causes to be provided security satisfactory to the Lenders, if so required by the Lenders, and such petition is withdrawn or dismissed within 30 days of its filing;
- (f) **Bankruptcy**. If any Credit Party commits or threatens to commit any act of bankruptcy, becomes insolvent, or makes an assignment or proposal under any insolvency legislation, a general assignment in favour of creditors, or a bulk sale of assets; or if a bankruptcy petition is filed or presented against any Credit Party, unless such Credit Party contests same in good faith and provides or causes to be provided security satisfactory to the Lenders, if so required by the Lenders, and such petition is withdrawn or dismissed within 30 days of its filing;

- (g) **Receivership**. If a receiver, receiver and manager, or receiver manager, or any person with like powers, is appointed for the Borrower, the Nominee, the Lands or any part thereof;
- (h) **Arrangement**. If any proceedings with respect to any Credit Party are commenced under any insolvency legislation;
- (i) **Other Indebtedness**. If (i) any Credit Party fails to make any payment (whether of principal or interest and regardless of the amount) in respect of (x) any sum which is capable of being made a charge upon the Lands in priority to any charge created by the Loan Documents, or (y) the 1409658 Subordinate Loan, when and as the same shall become due and payable (after giving effect to any period of grace), or (ii) any event or condition occurs that results in any of the debt referred to in clause (i), above, becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time, or both) the holder or holders of such debt to become due, or to require the prepayment thereof, prior to its scheduled maturity;
- (j) **Execution**. If any execution, sequestration, extent, or similar process is issued or levied upon or enforced against all or substantially all of the assets of any Credit Party and remains unsatisfied for a period of 30 days unless such process is disputed in good faith and, in the reasonable opinion of the Lenders, does not jeopardize or impair the ability of any Credit Party to repay the Loan Facility;
- (k) **Judgment**. If any judgment for an aggregate amount in excess of \$1,000,000 is awarded against any Credit Party and has not been satisfied or security has not been provided for such judgment within 30 days of it being awarded;
- (l) **Distress**. If a distress or analogous process is levied upon the Lands or any part thereof, unless the process is disputed in good faith and adequate security as approved by the Lenders is given to pay the amount claimed in full;
- (m) **Financial Encumbrances**. If without the prior written consent of the Lenders any Credit Party or the Nominee grant a mortgage, debenture or other financial charge of the Lands or any part thereof or their interest therein other than Permitted Encumbrances;
- (n) **Material Adverse Effect**. The occurrence of a Material Adverse Effect; or
- (o) **Transfer of any Interest in the Lands**. If there is a breach of Sections 7(a)(ii) or 7(b) of Schedule A.

9.2 **Intentionally Deleted**

9.3 **Remedies Cumulative**

All of the rights and remedies granted to the Agent and the Lenders in this Credit Agreement and the Loan Documents, and any other documents or instruments in existence between the parties or contemplated hereby, and any other rights and remedies available to the Agent or the Lenders at law or in equity, shall be cumulative. The exercise or failure to exercise any of the said remedies shall not constitute a waiver or release thereof or of any other right or remedy, and shall be non-exclusive.

9.4 Application of Proceeds

Any payments received by the Agent under this Part 9 on account of the Loan Facility shall be received on behalf of and for the account of the Lenders and shall be applied towards:

- (a) **first**, in payment of all receiver or receiver manager's costs and all costs and charges incurred in the enforcement of the Security Documents;
- (b) **second**, to the Agent, in payment of its reimbursable losses, costs and expenses in accordance with the terms of the Interlender Agreement, to the extent unpaid;
- (c) **third**, repayment of any amounts outstanding under the Loan Facility until it is repaid in full and cancelled; and
- (d) **fourth**, towards any other amounts payable hereunder.

All such amounts repaid shall result in a permanent reduction of the Loan Facility and of each Lender's Commitments, as applicable, with respect to the Loan Facility.

10. ENVIRONMENTAL MATTERS

- (a) Except as disclosed in the Environmental Report provided to the Lenders prior to the date hereof, no regulated, hazardous or toxic substances are being stored on the Lands, nor, to the Borrower's knowledge, have any such substances been stored or used on the Lands prior to the Borrower's ownership, possession or control of the Lands except in accordance with applicable laws. The Borrower agrees to provide written notice to the Agent promptly upon becoming aware that the Lands are being or have been contaminated with regulated, hazardous or toxic substances. The Borrower will not permit any other activities on the Lands that directly or indirectly would reasonably be likely to result in the Lands or any other property being contaminated with regulated, hazardous or toxic substances except in accordance with applicable environmental laws. For the purposes of the Credit Agreement, the term "regulated, hazardous or toxic substances" means any substance, defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term, by any applicable federal, provincial or local statute, regulation or ordinance now or in the future in effect, or any substance or materials, the use or disposition of which is regulated by any such statute, regulation or ordinance.
- (b) The Borrower will promptly comply with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, storage, treatment, control, removal or cleanup of regulated, hazardous or toxic substances in the Borrower's business or in, on, or under the Lands or in, on or under any adjacent property that becomes contaminated with regulated, hazardous or toxic substances as a result of construction, operations or other activities on, or the contamination of, the Lands, or incorporated in any improvements thereon. If the Borrower is in default of the foregoing, and such default is not cured within 30 days after written notice from the Lenders or such longer period as is reasonably necessary to cure such default, the Agent and the Lenders may, but will not be obligated to, enter upon the Lands and take such actions and incur such costs and expenses to effect such compliance as they deem advisable and the Borrower will reimburse the Agent and the Lenders on demand for the full amount of all costs and expenses incurred by the Agent and the Lenders in connection with such compliance activities.

- (c) The assets of the Borrower which are now or in the future encumbered by the Security Documents are hereby further mortgaged, hypothecated and charged to the Agent on behalf of the Lenders, and the Agent on behalf of the Lenders will have a security interest in such assets, as security for the repayment of the costs and expenses incurred pursuant to Section 10(b) above and interest thereon, as if such costs and expenses had originally formed part of the Loan Facility.

11. LEGAL AND OTHER EXPENSES

The Borrower will pay all reasonable legal fees and disbursements of the Agent and each of the Lenders in respect of the Loan Facility, and the preparation, issue and registration of the Credit Agreement and the Security Documents (including the costs for independent counsel for each of the Lenders to review and finalize the Credit Agreement and the Interlender Agreement if required by any such Lender) and on a solicitor and own client basis in connection with the enforcement and preservation of the Lenders' rights and remedies under this Credit Agreement and the Security Documents, and reasonable fees and disbursements for appraisals, credit reporting and responding to demands of any Governmental Authority, the fees and disbursements of the Lenders' Insurance Consultant and environmental consultant, and any other consultant retained by the Lenders, acting reasonably, and all other fees and disbursements of the Agent and the Lenders (including reasonable out-of-pocket expenses and syndication costs), whether or not the documentation is completed or any funds are advanced under the Loan Facility.

12. CONFIDENTIALITY

Each of the Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below) and not disclose it to anyone, except that Information may be disclosed (a) to its affiliates and its officers, directors, employees, professional advisers or auditors on a "need to know" basis only (it being understood that the parties to whom such disclosure is made will be informed of the confidential nature of such Information and the disclosing party shall ensure that they keep such Information confidential); (b) to the extent required by any governmental or regulatory authority which has jurisdiction over the Agent, Lenders or their affiliates (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) in connection with the exercise of any remedies hereunder or under any other loan or security documents contemplated hereunder ("**Loan Documents**") or any action or proceeding relating to the Loan Facility hereunder or any Loan Documents or the enforcement of rights hereunder or thereunder; (e) subject to an agreement containing provisions substantially the same as those of this provision regarding confidentiality, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights and obligations under the Loan Documents permitted under this Credit Agreement, (provided that, prior to any such disclosure, any recipients of Information in accordance with this subsection (i) shall be required to agree to be bound to the terms of this Section regarding confidentiality); (f) with the consent of the Credit Parties; provided that if the Agent or any Lenders or any of their representatives become legally required by applicable law, regulation, rules of any self-regulatory or regulatory body, legal proceedings, deposition, interrogatory, request for documents, subpoena, civil investigative demand, regulatory review, or similar process to disclose any Information, the Agent or applicable Lender shall provide the Borrower with prompt notice of, and the terms of and circumstances surrounding, such requirement prior to disclosure by the Agent or applicable Lender (to the extent permitted by applicable law, rule or regulation) so that the Credit Parties may seek a protective order or other appropriate remedy.

For purposes of this provision, "Information" means all information received from and relating to the Credit Parties or any of their respective businesses, including without limitation, price sensitive information, or which the Agent or any Lenders becomes aware of, for the purposes of the Loan Facility set out in this Credit Agreement, other than any such information that (i) is available to the Agent or any Lenders on a non-confidential basis prior to disclosure by the Credit Parties, (ii) is developed or discovered by the Agent or any Lenders independently or is otherwise publicly available, unless obtained as a result of a breach of the Agent or any Lenders' obligations under this confidentiality clause.

Any party required to maintain the confidentiality of Information as provided above shall be considered to have complied with its obligation to do so if such party has exercised the same degree of care to maintain the confidentiality of such Information as such party would accord to its own confidential information. The obligations of any party to maintain the confidentiality of Information as provided above shall survive for a period of 2 years from the termination of all commitments hereunder.

13. ASSIGNMENT AND PARTICIPATION BY LENDERS

13.1 Assignment to Affiliate or Lender

Each Lender has the right to sell, assign or transfer all or any part (in a minimum amount of \$10,000,000 or all if its Lender's Commitment is less than \$10,000,000 of its Lender's Commitment) to an affiliate or to another Lender or to an affiliate to any Lender (an "**Eligible Assignee**") without the consent of the Borrower or the Agent.

13.2 Assignment Before Default

Prior to the occurrence of an Event of Default, any Lender may sell, assign or transfer all or any part (in a minimum amount of \$10,000,000, or all if its Lender's Commitment is less than \$10,000,000), to a Canadian chartered bank, Canadian pension fund or Canadian insurance company other than an Eligible Assignee (an "**Other Assignee**") with the prior written consent of the Agent and the Borrower, such consent not to be unreasonably withheld.

13.3 Assignment After Default

Following the occurrence and continuation of an Event of Default, each Lender may sell, assign or transfer all or any part of its Lender's Commitment to any Other Assignee, without the consent of the Borrower or the Agent.

13.4 Right of First Refusal

If any Lender wishes to assign all or a portion of its rights and obligations hereunder pursuant to Section 13.2 or Section 13.3 (the "**Assigned Amount**"), it shall first notify the other Lenders of its intention, and those Lenders will have the first right and opportunity exercisable within 7 Business Days of the receipt of such notice, to acquire the Assigned Amount. If more than one Lender advises the Agent and the assigning Lender that it wishes to acquire the Assigned Amount, then each such Lender shall be entitled to acquire its Proportionate Share of the Assigned Amount, as calculated by the Agent or as otherwise agreed to by each such Lender. The consent of the Agent and the Borrower is not required for any assignment to another Lender in accordance with this Section 13.4.

13.5 Minimum Amount of Lender's Commitment to be Retained

If an assigning Lender assigns only a portion of its Lender's Commitment at any time or from time to time, it shall retain for its own account not less than \$5,000,000 of its Lender's Commitment.

13.6 Delivery of Assignment and Assumption

The assigning Lender shall promptly deliver to the Borrower and the Agent a true copy of the assignment and assumption evidencing such assignment executed by such assigning Lender and the assignee Lender, and thereupon the assigning Lender shall have no further obligation hereunder with respect to such assigned interest.

13.7 Costs of Assignment

All costs, fees and expenses for any such assignment incurred by the Agent or the assigning Lender shall be for the account of and paid by the assigning Lender or the assignee lender, as agreed by them. In addition, the assigning Lender will pay to the Agent for its own account an administrative fee of \$5,000 for each such assignment before such assignment will be effective.

13.8 Participations by Lenders

Any Lender may, at its own cost and without the consent of the Borrower or the Agent, grant one or more participations to other banks, financial institutions or other persons of a portion of its rights and obligations under this Credit Agreement, including its Lender's Commitment and the Indebtedness owing to it, provided that the granting of such a participation shall not affect the obligations of such Lender hereunder provided:

- (a) the Borrower and the Agent shall be required to deal only with the Lender granting such participation as if the participation had not occurred;
- (b) the Lender granting the participation is entitled, in its own name, to enforce for the benefit of, or as agent for, any of its participants, all rights, claims and interests of such participants and no participant is entitled to do so on its own behalf;
- (c) no participant shall have the right to approve any amendment or waiver of any provision of this Credit Agreement or to participate in any decision of the Lenders; and
- (d) no payment by a participant to a Lender in connection with a participation shall be deemed to be a repayment by the Borrower or a new loan under the Loan Facility.

14. INDEMNITY

The Borrower hereby agrees to indemnify and save each of the Lenders, the Agent, their affiliates and their respective directors, officers, employees and agents (collectively, the "Indemnified Parties" and individually, an "Indemnified Party") harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatsoever nature or kind, to which an Indemnified Party may become subject which is directly attributable to this Credit Agreement. This indemnity will not apply in the event and to the extent that a court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was negligent or guilty of willful misconduct. In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against the Borrower, the

Indemnified Party will give the Borrower prompt written notice of any such action of which the Indemnified Party has knowledge and the Borrower will undertake the investigation and defense thereof on behalf of the Indemnified Party, including employment of counsel and payment of all expenses. No admission of liability and no settlement of any action shall be made without the consent of each of the Borrower and the Indemnified Parties affected, such consent not to be unreasonably withheld.

15. INTERLENDER AGREEMENT

Each of the Credit Parties acknowledges that the Lenders and the Agent will be entering into the Interlender Agreement to deal with matters such as the relationship between the Lenders with respect to the Loan Facility, the administration of the Loan Facility by the Agent, and the procedure for the appointment of a successor Agent, if required. No Credit Party derives any rights pursuant to the Interlender Agreement.

16. LENDER OBLIGATIONS SEVERAL

The obligations of each Lender under this Credit Agreement are several, and not joint or joint and several. No Lender will be responsible for any failure or alleged failure on the part of any other Lender to duly perform its obligations under the terms of this Credit Agreement, nor will the obligations of the Borrower to any Lender be diminished or affected by any failure or alleged failure on the part of any other Lender to duly perform its obligations under the terms of this Credit Agreement.

17. BORROWER OBLIGATIONS JOINT AND SEVERAL

If one or more parties comprise the Borrower, then all representations, warranties, covenants and agreements of the Borrower contained in this Credit Agreement are the joint and several representations, warranties, covenants and agreements of each of the parties comprising the Borrower. For greater certainty, the parties comprising the Borrower for purposes of this Section 17 are only the Limited Partnership and the General Partner and do not include the limited partners of the Limited Partnership.

18. NON-MERGER AND NON-ASSIGNMENT

This Credit Agreement will, on execution by the Credit Parties, replace all previous term sheets and letters from the Agent or the Lenders to the Borrower with respect to the Loan Facility. The terms and conditions of this Credit Agreement will not be merged by and will survive the execution of the Security Documents.

The benefits conferred by this Credit Agreement will enure to the benefit of the Agent and each of the Lenders and their respective successors and assigns and will be binding on the Credit Parties and their successors and permitted assigns.

No Credit Party will assign all or any of its rights, benefits or obligations under this Credit Agreement without the prior written consent of all of the Lenders.

19. WAIVER OR VARIATION

No term or condition of the Credit Agreement or of any of the Security Documents may be waived or varied verbally or by any course of conduct of any officer, employee or agent of the

Lenders or the Agent. All waivers must be in writing and signed by the waiving party in accordance with the requirements of the Interlender Agreement.

Any amendment to the Credit Agreement must be in writing and made in accordance with the requirements of the Interlender Agreement, however, the Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Agent deems appropriate in order to implement any Canadian Benchmark Replacement or any Canadian Conforming Change or otherwise effectuate the terms of Section 30 of this Agreement in accordance with the terms thereof.

20. SEVERABILITY

Should any part of the Credit Agreement be declared or held invalid for any reason, that invalidity shall not affect the validity of the remainder of the Credit Agreement which shall continue in full force and effect and be construed as if the Credit Agreement had been executed without the invalid portion and it is hereby declared the intention of the Agent, the Lenders and the Credit Parties that the Credit Agreement would have been executed without reference to any portion which may for any reason be hereafter declared or held invalid.

21. CONSENT AND AUTHORIZATION TO COLLECTION, SHARING AND DISCLOSURE OF INFORMATION

21.1 Obtaining Information

When it is necessary for providing products and services to the Credit Parties, the Credit Parties consent to the Agent and each Lender obtaining from any credit reporting agency or from any person any information (including personal information) that the Agent and the Lender may require at any time.

21.2 Sharing Information Between Lenders

The Credit Parties consent to the sharing and disclosure at any time by the Agent and the Lenders of any confidential or other information concerning the Credit Parties and the Lands to each other and to their subsidiaries and affiliates, provided that the information provided to such entity is subject to the confidentiality provisions contained in Section 12 of this Schedule A.

21.3 Disclosure under Builders Lien Act

The Borrower authorizes the Agent and each Lender to release the information contemplated by the *Builders Lien Act* to all persons claiming a right to such information under such legislation.

22. TIME OF ESSENCE

Time is of the essence of this Credit Agreement.

23. GOVERNING LAW

This Credit Agreement and, unless otherwise specified therein, all other documents or instruments delivered in accordance with this Credit Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia (the "**Governing Jurisdiction**") and the laws of Canada applicable therein. Each Credit Party irrevocably submits to the non-exclusive jurisdiction of the courts in the Governing Jurisdiction.

24. **NOTICES**

- (a) All notices and other communications (each referred to as the "**Notice**") permitted or required to be given to any of the parties hereto will be in writing and may be delivered personally or by courier or sent by email or functionally equivalent electronic means of transmission to the following addresses or email accounts or to such other address or email account as will be designated by such party by notice in writing to the other parties to this Credit Agreement:
- (i) to the **Credit Parties**:
- c/o 1075 Nelson Development Limited Partnership
Suite 2400 – 745 Thurlow Street
Vancouver, British Columbia V6E 1C5
- Attention: Kheng Ly
Email: Kheng.ly@briviagroup.ca
- (ii) to the **Agent**:
- Royal Bank Canada**
155 Wellington Street West, 8th Floor
Toronto, Ontario M5V 3K7
- Attention: Manager, Agency Services
Email: rbcmagnt@rbccm.com
- (iii) to the **Lenders**, as follows:
- (1) **Royal Bank Canada**
16 York Street, Suite 500 Box 64
Toronto, Ontario, M5J 0E6
Attention: William Wang
Email: william.wang@rbc.com
- (2) **Bank of Montreal**
105 St-Jacques Street, 3rd Floor
Montreal, Quebec, H2Y 1L6
Attention: Matthew Shaver
Email: matthew.shaver@bmo.com
- (3) **Meridian Credit Union Limited**
3280 Bloor Street West, Centre Tower, 7th Floor
Toronto, Ontario M8X 2X3
Attention: Yanzhi Chen
Email: Yanzhi.Chen@Meridiancu.ca
- (b) The Notice will be deemed to have been delivered:
- (i) in the case of personal delivery or delivery by courier, when the Notice is delivered to the party receiving the Notice, unless the Notice was not delivered

on a Business Day in which case the Notice will be deemed to have been delivered on the next Business Day; and

- (ii) In the case of email or other functionally equivalent electronic means of transmission, on the day the Notice was sent, unless the Notice was not received on a Business Day or was received after 4:00 p.m. (local time of the recipient) in which case the Notice will be deemed to have been delivered on the next Business Day.

25. CREDIT AGREEMENT GOVERNS

If there is any conflict or inconsistency between the terms and conditions of this Credit Agreement and the terms and conditions of any of the Security Documents, the terms and conditions of this Credit Agreement shall govern. Notwithstanding the foregoing, the inclusion of supplemental rights or remedies in favour of the Agent or the Lenders contained in this Credit Agreement or any of the Security Documents shall be deemed not to be a conflict or inconsistency as contemplated herein.

26. DEALING WITH AGENT

The Borrower shall generally be entitled to deal with the Agent with respect to all matters under this Credit Agreement and the Security Documents. The Borrower shall be entitled to rely upon any certificate, notice, waiver or other document or other advice, statement or instruction provided to it by the Agent on behalf of the Lenders under this Credit Agreement or the Security Documents without having to satisfy itself as to the authority of the Agent to act on behalf of the Lenders.

27. WAIVER OF JURY TRIAL

Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Credit Agreement or any other loan document or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other person has represented, expressly or otherwise, that such other person would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Credit Agreement and the other loan documents by, among other things, the mutual waivers and certifications in this Section.

28. CHANGE OF CIRCUMSTANCES

If the introduction, adoption or implementation of, or any change in, or in the interpretation of, or any change in its application to the Borrower of, any law, regulation, guideline or request issued by the Bank of Canada or other Canadian governmental authority (whether or not having the force of law), including, without limitation, any liquidity reserve or other reserve or special deposit requirement or any Canadian tax (other than tax on a Lender's general income) or any capital requirement, has due to the Lenders' compliance the effect, directly or indirectly, of (i) increasing the cost to any Lender of performing its obligations hereunder or under any avallment hereunder, (ii) reducing any amount received or receivable by any Lender or its effective return hereunder or in respect of any avallment hereunder or on its capital; or (iii) causing any Lender to make any payment or to forgo any return based on any amount received or receivable by any Lender hereunder or in respect of any avallment hereunder

determined by such Lender in its discretion, then upon demand from time to time by the Agent the Borrower shall pay to the Agent such amount as shall compensate such Lender for any such cost, reduction, payment or forgone return (collectively, "**Increased Costs**") as such amounts are reasonably determined by such Lender and set forth in a certificate to the Borrower. The foregoing indemnity shall be of no force or effect during any period that such Lender ceases to be a resident of Canada under the *Income Tax Act* (Canada).

In the event of the Borrower becoming liable for such Increased Costs, the Borrower shall have the right to prepay in full, without bonus or penalty, the outstanding principal balance under the affected credit other than the face amount of any document or instrument issued or accepted by the Lender for the account of the Borrower.

29. ERRONEOUS PAYMENTS

- (a) If the Agent notifies a Lender, or any Person who has received funds on behalf of a Lender (any such Lender or other recipient, a "**Payment Recipient**") that the Agent has determined in its sole reasonable discretion that any funds received by such Payment Recipient from the Agent or any of its affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and such Payment Recipient shall promptly, but in no event later than one Business Day thereafter, return to the Agent, in same day funds (in the currency so received), the amount of any such Erroneous Payment (or portion thereof), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent at a rate determined by the Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect. To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.
- (b) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives an Erroneous Payment from the Agent (or any of its affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Agent (or any of its affiliates) with respect to such Erroneous Payment (the "**Payment Notice**"), or (y) that was not preceded or accompanied by a Payment Notice sent by the Agent (or any of its affiliates), then, said Payment Recipient shall be on notice, in each case, that an error has been made with respect to such Erroneous Payment. Each Payment Recipient agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Payment Recipient shall promptly notify the Agent of such occurrence and, upon demand from the Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Agent the amount of any such Erroneous

Payment (or portion thereof) in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent at a rate determined by the Agent in accordance with prevailing banking industry rules on interbank compensation from time to time in effect.

- (c) Each Payment Recipient hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Agent to such Payment Recipient from any source, against any amount due to the Agent under any of the immediately preceding clauses (a) or (b) or under the indemnification provisions of this Credit Agreement.
- (d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent (such unrecovered amount, an **"Erroneous Payment Return Deficiency"**), the Borrower and each other Credit Party hereby agrees that (x) the Agent shall be subrogated to all the rights of such Payment Recipient with respect to such amount (including, without limitation, the right to sell and assign the Loan Facility, or any portion thereof), which were subject to the Erroneous Payment Return Deficiency) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Agent from the Borrower or any other Credit Party for the purpose of making such Erroneous Payment. For the avoidance of doubt, no assignment of an Erroneous Payment Deficiency will reduce the Lender's Commitment of any Payment Recipient and such Lender's Commitment shall remain available in accordance with the terms of this Credit Agreement. In addition, each party hereto agrees that, except to the extent that the Agent has sold a Loan Facility (or portion thereof) acquired pursuant to the assignment of an Erroneous Payment Deficiency, and irrespective of whether the Agent may be equitably subrogated, the Agent shall be contractually subrogated to all the rights and interests of the applicable Payment Recipient under the Loan Documents with respect to each Erroneous Payment Return Deficiency.
- (e) Each party's obligations, agreements and waivers under this Section 29 shall survive the resignation or replacement of the Agent, any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Lender's Commitment and/or the repayment, satisfaction or discharge of all obligations (or any portion thereof) under any Loan Document.

30. CANADIAN BENCHMARK REPLACEMENT SETTING

- (a) Canadian Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Canadian Benchmark Transition Event and its related Canadian Benchmark Replacement Date have occurred prior any setting of the then-current Canadian Benchmark, then (x) if a Canadian Benchmark Replacement is determined in accordance with clause (a) of the definition of "Canadian Benchmark Replacement" for such Canadian Benchmark Replacement Date, such Canadian Benchmark Replacement will replace such Canadian Benchmark for all purposes hereunder and under any Loan Document in respect of such Canadian Benchmark setting and subsequent Canadian Benchmark settings without any amendment to, or further action or consent of any other party to, this Credit Agreement or any other Loan

Document and (y) if a Canadian Benchmark Replacement is determined in accordance with clause (b) of the definition of "Canadian Benchmark Replacement" for such Canadian Benchmark Replacement Date, such Canadian Benchmark Replacement will replace such Canadian Benchmark for all purposes hereunder and under any Loan Document in respect of any Canadian Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date notice of such Canadian Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Credit Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Canadian Benchmark Replacement from Lenders comprising a Majority of the Lenders. If the Canadian Benchmark Replacement is Adjusted Daily Compounded CORRA, all interest payments will be payable on the last day of each Interest Period.

- (b) Canadian Conforming Changes. In connection with the use, administration, adoption or implementation of a Canadian Benchmark Replacement, the Agent will have the right to make such Canadian Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Canadian Conforming Changes will become effective without any further action or consent of any other party to this Credit Agreement or any other Loan Document.

In connection with the use or administration of CORRA or Term CORRA, the Agent will have the right to make Canadian Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Canadian Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Canadian Conforming Changes in connection with the use or administration of CORRA or Term CORRA, as applicable.

- (c) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Canadian Benchmark Replacement and (ii) the effectiveness of any such Canadian Conforming Changes in connection with the use, administration, adoption or implementation of a Canadian Benchmark Replacement. The Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Canadian Benchmark pursuant to Section (d) and (y) the commencement of any Canadian Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 30 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Credit Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 30.
- (d) Unavailability of Tenor of Canadian Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Canadian Benchmark Replacement), (i) if the then-current Canadian Benchmark is a term rate (including Term CORRA) and either (A) any tenor

for such Canadian Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Canadian Benchmark has provided a public statement or publication of information announcing that any tenor for such Canadian Benchmark is not or will not be representative, then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Canadian Benchmark settings at or after such time to remove such unavailable or non representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Canadian Benchmark (including a Canadian Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Canadian Benchmark (including a Canadian Benchmark Replacement), then the Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Canadian Benchmark settings at or after such time to reinstate such previously removed tenor.

- (e) **Canadian Benchmark Unavailability Period.** Upon the Borrower's receipt of notice of the commencement of a Canadian Benchmark Unavailability Period, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Loans, which are of the Type that have a rate of interest determined by reference to the then-current Canadian Benchmark, to be made, converted or continued during any Canadian Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to, (i) for a Canadian Benchmark Unavailability Period in respect of Term CORRA, Daily Compounded CORRA Loans, and (ii) for a Canadian Benchmark Unavailability Period in respect of a Canadian Benchmark other than Term CORRA, Canadian Prime Rate Loans.

"Canadian Available Tenor" means, as of any date of determination and with respect to the then-current Canadian Benchmark, as applicable, (x) if such Canadian Benchmark is a term rate, any tenor for such Canadian Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Credit Agreement or (y) otherwise, any payment period for interest calculated with reference to such Canadian Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Canadian Benchmark pursuant to this Credit Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Canadian Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section (d).

"Canadian Benchmark" means, initially, the Term CORRA Reference Rate or Daily Compounded CORRA, as the case may be; provided that if a Canadian Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, Daily Compounded CORRA, or the then-current Canadian Benchmark, then "Canadian Benchmark" means the applicable Canadian Benchmark Replacement to the extent that such Canadian Benchmark Replacement has replaced such prior benchmark rate pursuant to Section (a).

"Canadian Benchmark Replacement" means, with respect to any Canadian Benchmark Transition Event,

- (a) where a Canadian Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, Daily Compounded CORRA; and;

- (b) where a Canadian Benchmark Transition Event has occurred with respect to a Canadian Benchmark other than the Term CORRA Reference Rate, the sum of: (i) the alternate benchmark rate that has been selected by the Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Canadian Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Canadian Benchmark for Canadian Dollar-denominated syndicated credit facilities and (ii) the related Canadian Benchmark Replacement Adjustment.

If the Canadian Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Canadian Benchmark Replacement will be deemed to be the Floor for the purposes of this Credit Agreement and the other Loan Documents.

"Canadian Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Canadian Benchmark with an Unadjusted Canadian Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Canadian Benchmark with the applicable Unadjusted Canadian Benchmark Replacement by the Relevant Canadian Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Canadian Benchmark with the applicable Unadjusted Canadian Benchmark Replacement for Canadian Dollar-denominated syndicated credit facilities at such time.

"Canadian Benchmark Replacement Date" means a date and time determined by the Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Canadian Benchmark:

- (a) in the case of clause (a) or (b) of the definition of "Canadian Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Canadian Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Canadian Available Tenors of such Canadian Benchmark (or such component thereof); or
- (b) in the case of clause (c) of the definition of "Canadian Benchmark Transition Event," the first date on which such Canadian Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Canadian Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Canadian Available Tenor of such Canadian Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Canadian Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) above with respect to any Canadian Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-

current Canadian Available Tenors of such Canadian Benchmark (or the published component used in the calculation thereof).

"Canadian Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Canadian Benchmark.

- (a) a public statement or publication of information by or on behalf of the administrator of such Canadian Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Canadian Available Tenors of such Canadian Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Canadian Available Tenor of such Canadian Benchmark (or such component thereof);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Canadian Benchmark (or the published component used in the calculation thereof), the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Canadian Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Canadian Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Canadian Benchmark (or such component), which states that the administrator of such Canadian Benchmark (or such component) has ceased or will cease to provide all Canadian Available Tenors of such Canadian Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Canadian Available Tenor of such Canadian Benchmark (or such component thereof); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Canadian Benchmark (or the published component used in the calculation thereof) announcing that all Canadian Available Tenors of such Canadian Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Canadian Benchmark Transition Event" will be deemed to have occurred with respect to any Canadian Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Canadian Available Tenor of such Canadian Benchmark (or the published component used in the calculation thereof).

"Canadian Benchmark Unavailability Period" means, the period (if any) (a) beginning at the time that a Canadian Benchmark Replacement Date has occurred if, at such time, no Canadian Benchmark Replacement has replaced the then-current Canadian Benchmark for all purposes hereunder and under any Loan Document in accordance with Section (a); and (b) ending at the time that a Canadian Benchmark Replacement has replaced the then-current Canadian Benchmark for all purposes hereunder and under any Loan Document in accordance with Section (a).

"Canadian Conforming Changes" means, with respect to the use or administration of a Canadian Benchmark or the use, administration, adoption or implementation of any Canadian Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Canadian Prime Rate," the definition of "Business Day," the

definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of Borrowing Requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 33 and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Credit Agreement and the other Loan Documents).

"Relevant Canadian Governmental Body" means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

"Unadjusted Canadian Benchmark Replacement" means the applicable Canadian Benchmark Replacement excluding the related Canadian Benchmark Replacement Adjustment.

31. ELECTRONIC COMMUNICATIONS

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Agent, provided that the foregoing shall not apply to notices to any Lender of advances to be made or Letters of Credit to be issued if such Lender has notified the Agent that it is incapable of receiving notices by electronic communication. The Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing subsection (i) of notification that such notice or communication is available and identifying the website address therefor.

32. LANGUAGE

The parties have expressly required that this Credit Agreement, any communication and all other contracts, documents and notices relating to this Credit Agreement be drafted in the English language. Les parties ont expressément exigé que la présente convention, la communication et tous les autres contrats, documents et avis qui y sont afférents soient rédigés dans la langue anglaise.

33. COMPENSATION FOR LOSSES

In the event of (a) the payment of any principal of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, prior to the last day of an Interest Period (including

as a result of an Event of Default), (b) the conversion of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, other than on the last day of the Interest Period, (c) the failure to borrow, convert, continue or prepay any Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, then, in any such event, the Borrower shall, after receipt of a written request by any Lender affected by any such event (which request shall set forth in reasonable detail the basis for requesting such amount), compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section delivered to the Borrower shall be presumptively correct absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt of such demand.

34. INABILITY TO DETERMINE RATES

- (a) Subject to Section 30 of this Schedule, if, on or prior to the first day of any applicable Interest Period for any Term CORRA Loan or Daily Compounded CORRA Loan, as applicable:
 - (i) the Agent determines (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term CORRA" or "Adjusted Daily Compounded CORRA" as applicable, cannot be determined pursuant to the definition thereof, for reasons other than a Canadian Benchmark Transition Event, or
 - (ii) a Majority of the Lenders determines that for any reason in connection with any request for a Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, or a conversion thereto or a continuation thereof that Term CORRA or Daily Compounded CORRA, as applicable, for any requested Interest Period with respect to a proposed Term CORRA Loan or Daily Compounded CORRA Loan, as applicable, does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Loan, and a Majority of the Lenders have provided notice of such determination to the Agent,

the Agent will promptly so notify the Borrower and each Lender.

- (b) Upon delivery of such notice by the Agent to the Borrower under Section (a), any obligation of the Lenders to make Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, and any right of the Borrower to continue Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or to convert Canadian Prime Rate Loans to Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, shall be suspended (to the extent of the affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or affected Interest Periods) until the Agent revokes such notice.
- (c) Upon receipt of such notice by the Agent to the Borrower under Section (a), (i)(w) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, (to the extent of the affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or affected Interest Periods); (x) in respect of Term CORRA Loans, the Borrower may elect to convert any such request into a request for a Borrowing of or conversion to Daily Compounded CORRA Loans; (y) in respect of Daily

Compounded CORRA Loans, the Borrower may elect to convert any such request into a request for a Borrowing of or conversion to Term CORRA Loans, (z) failing such revocation or election, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Canadian Prime Rate Loans, in the amount specified therein and (ii)(w) in respect of Term CORRA Loans, the Borrower may elect to convert any outstanding affected Term CORRA Loans at the end of the applicable interest Period, into Daily Compounded CORRA Loans, (x) in respect of Daily Compounded CORRA Loans, the Borrower may elect to convert any outstanding affected Daily Compounded CORRA Loans at the end of the applicable interest Period, into Term CORRA Loans and (y) otherwise, or failing such election, any outstanding affected Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, will be deemed to have been converted, at the end of the applicable Interest Period, into Canadian Prime Rate Loans. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 33.

35. RATES

The Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Canadian Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Canadian Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Canadian Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Canadian Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA or any other Canadian Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Canadian Conforming Changes. The Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Canadian Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, any alternative, successor or replacement rate (including any Canadian Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Agent may select information sources or services in its reasonable discretion to ascertain the Canadian Prime Rate, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA or any other Canadian Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

36. ILLEGALITY

If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender to make, maintain or fund Loans whose interest is determined by reference to Adjusted Term CORRA or Adjusted Daily Compounded CORRA, as applicable, or to determine or charge interest rates based upon Adjusted Term CORRA or Adjusted Daily Compounded CORRA, as applicable, then, on notice thereof by such Lender to

the Borrower through the Agent, any obligation of such Lender to make or continue Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, or to convert Canadian Prime Rate Loans shall be suspended until such Lender notifies the Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon three (3) Business Days' notice from such Lender (with a copy to the Agent), prepay or, if applicable, convert all Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, of such Lender to Canadian Prime Rate Loans, either on the last day of the Interest Period, if such Lender may lawfully continue to maintain such Term CORRA Loans or Daily Compounded CORRA Loans, as applicable, to such day, or immediately, if such Lender may not lawfully continue to maintain such Term CORRA Loans or Daily Compounded CORRA Loans, as applicable. Each Lender agrees to notify the Agent and the Borrower in writing promptly upon becoming aware that it is no longer illegal for such Lender to determine or charge interest rates based upon Adjusted Term CORRA or Adjusted Daily Compounded CORRA, as applicable. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 28.

SCHEDULE B
LENDER'S COMMITMENTS

Lender	Loan Facility Commitment	Total Lender's Commitment
Royal Bank of Canada	\$50,000,000	\$50,000,000
Bank of Montreal	\$25,000,000	\$25,000,000
Meridian Credit Union Limited	\$15,000,000	\$15,000,000
Total Lenders' Commitments	\$90,000,000	\$90,000,000

SCHEDULE C**THE LANDS**

The lands and premises located in Vancouver, British Columbia and legally described as follows:

Parcel Identifier: 031-725-953

Legal Description: LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER
DISTRICT PLAN EPP118708

(the "**Lands**")

SCHEDULE D

INTEREST ELECTION REQUEST

TO: Royal Bank of Canada, as Agent for and on behalf of the Lenders

FROM: 1075 Nelson Development Limited Partnership

DATE: _____

1. Interest Election Request is delivered to you pursuant to the amended and restated credit agreement dated June 7, 2024, as amended from time to time (the "**Credit Agreement**"). All defined terms set forth in this Interest Election Request shall have the respective meanings set forth in the Credit Agreement.
2. The Borrower wishes to make an interest election with respect to an outstanding Borrowing under the Credit Agreement, and, in that connection, sets forth below the information relating to such interest election (the "**Interest Election**").
 - (a) The effective date of the Interest Election is: _____;
 - (b) The Borrowing to which the Interest Election applies is a [**Canadian Prime Rate**]/[**Term CORRA**]/[**Daily Compounded CORRA**] Borrowing made as of [date] in the aggregate amount of: _____;
 - (c) The resulting Borrowing, consists of a [**Canadian Prime Rate**]/[**Term CORRA**]/[**Daily Compounded CORRA**] Borrowing in the aggregate amount of \$ _____ [and a [**Canadian Prime Rate**]/[**Term CORRA**]/[**Daily Compounded CORRA**] Borrowing in the aggregate amount of \$: _____;
 - (d) Interest Period (not applicable if for a Canadian Prime Rate advance): _____
3. **The Borrower certifies that:**
 - (a) the representations and warranties contained in the Credit Agreement are true, complete and accurate in all material respects as of the date hereof; and
 - (b) no Event of Default has occurred and is continuing as of the date hereof.

Yours very truly,

**1075 NELSON DEVELOPMENT LIMITED
PARTNERSHIP by its general partner 1075
NELSON DEVELOPMENT GP INC.**

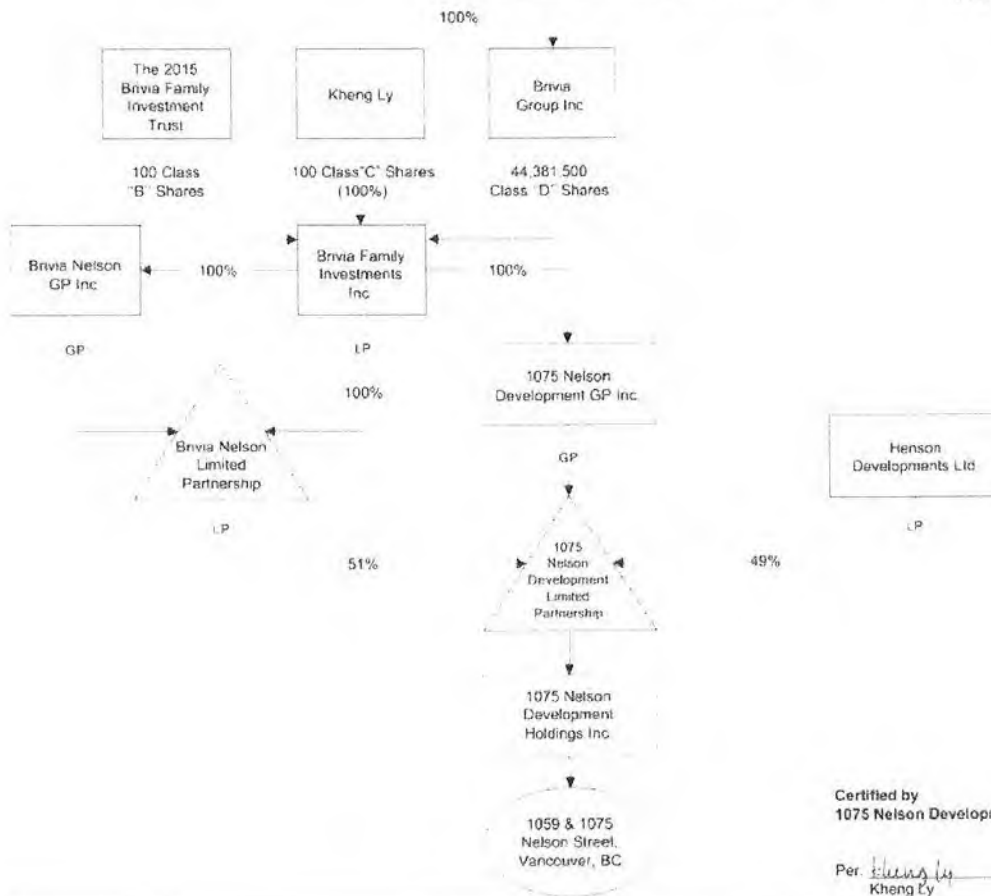
Per: _____
Title: _____

SCHEDULE E
INTENTIONALLY DELETED

SCHEDULE F

OWNERSHIP STRUCTURE

1075 Nelson Development LP
Detailed Org Chart
April 2021



Certified by
1075 Nelson Development LP

Per: Kheng Ly
Kheng Ly

SCHEDULE G

PREPAYMENT NOTICE

TO: Royal Bank of Canada, as Agent

FROM: 1075 Nelson Development Limited Partnership (the "**Borrower**")

DATE: _____

1. This Prepayment Notice is delivered to you, as Agent of the amended and restated credit agreement made as of June 7, 2024 between, *inter alios*, the Borrower, as borrower, you, as agent, and the financial institutions from time to time parties thereto as lenders (the "**Credit Agreement**"). All terms used in this Prepayment Notice that are defined in the Credit Agreement have the same meanings herein.
2. The Borrower hereby gives you notice that it intends to repay the amount of Cdn.\$ _____ under the Loan Facilities on _____ **[date which must be at least 15 Business Days after the delivery of this Prepayment Notice]** and acknowledges that such funds must be received by the Agent by 8:00 a.m. Vancouver time, on the date of prepayment to be credited on the same Business Day (whereby amounts received after 8:00 a.m. Vancouver time, will be credited the following Business Day).
3. The amount of such prepayment will, subject to the provisions of the Credit Agreement, be used to repay Loan Facility of the following type:

Loan FacilityPrincipal Amount

Yours very truly,

**1075 NELSON DEVELOPMENT LIMITED
PARTNERSHIP by its general partner 1075
NELSON DEVELOPMENT GP INC.**

Per: _____
Title: _____

August 30, 2024

1075 Nelson Development Limited Partnership
Suite 2400 – 745 Thurlow Street
Vancouver, BC V6E 0C5

Attention: Kheng Ly

Dear Sirs/Mesdames:

Re: Land Loan for 1059 and 1075 Nelson Street, Vancouver, British Columbia

We refer to the amended and restated credit agreement dated June 7, 2024 (the "**Existing Credit Agreement**") between Royal Bank of Canada, Bank of Montreal and Meridian Credit Union Limited (collectively, the "**Lenders**"), Royal Bank of Canada as agent (the "**Agent**"), 1075 Nelson Development Limited Partnership (the "**Borrower**"), as borrower, and 1075 Nelson Development Holdings Inc. (the "**Nominee**"), as nominee and the Nominee, 1075 Nelson Development GP Inc. (the "**GP**"), Brivia Family Investments Inc. ("**Brivia**") and Kheng Ly ("**Ly**" and together with the Nominee, the GP and Brivia, the "**Guarantors**"), as guarantors

Any terms not defined in this amendment agreement (this "**Amendment**") shall have the meaning given to those terms in the Existing Credit Agreement.

Based on the information, representations and documents you have provided to the Lenders, and at the request of the Borrower and the Guarantors, the parties agree to amend the Existing Credit Agreement as herein set forth.

1. CREDIT AGREEMENT AMENDMENTS

The Borrower has requested that the Lenders enter into this Amendment to extend the Maturity Date to **September 30, 2024**.

Accordingly, Section 2.6 of the Existing Credit Agreement is amended by deleting "**August 31, 2024**" (the "**Maturity Date**") and replacing it with "**September 30, 2024**" (the "**Maturity Date**").

2. CONDITIONS PRECEDENT

It is a condition precedent to the approval by the Lenders of the amendments contained in this Amendment that the Agent and the Lenders will have received and approved each of the following in form and content satisfactory to the Agent and all of the Lenders in their sole discretion:

- (a) this Amendment;
- (b) payment to the Agent on behalf of the Lenders of an extension fee in the amount of **\$75,000** to be shared by the Lenders on a pro rata basis; and
- (c) payment to the Agent of all fees and disbursements of the Agent and the Lenders', including all legal fees and disbursements of the Agent and the Lenders' lawyers in connection with this Amendment.

3. REPRESENTATIONS AND WARRANTIES

Each of the Borrower and the Guarantors represents and warrants on its own behalf to the Lenders that:

- (a) Each of the representations and warranties in Section 2 of Schedule A of the Existing Credit Agreement as amended by this Amendment remain valid and effective as of the date of this Amendment.
- (b) It has the capacity and power to execute, deliver and perform its respective obligations under this Amendment and the Security Documents to which it is a party.
- (c) The execution, delivery and performance by it of this Amendment and the Security Documents to which it is a party has been duly authorized and will not violate any agreement or instrument to which it may be bound or affected.
- (d) All acts, consents and conditions precedent required to be done, obtained and satisfied with respect to the execution and delivery of this Amendment and the Security Documents to which it is a party, and to constitute the same a legal, valid, binding and enforceable obligation of it in accordance with its terms, have been done, obtained and satisfied in compliance with applicable law.
- (e) This Amendment and the Security Documents to which it is a party have been duly executed and delivered and constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms.

4. GENERAL

- (a) This Amendment is supplemental to and amends the Existing Credit Agreement and the Existing Credit Agreement shall henceforth be read in conjunction with this Amendment and shall henceforth have effect so far as practicable as though all the provisions of the Credit Agreement and this Amendment were contained in one and the same document.
- (b) All provisions of the Existing Credit Agreement, except as amended by this Amendment, remain in full force and effect and shall apply to and shall have effect in connection with this Amendment.
- (c) Each of the existing Security Documents remains in full force and effect, are hereby ratified and confirmed by the Borrower and the Guarantors party thereto and each of the Borrower and the Guarantors party thereto agrees that each such Security Document remains in full force and effect and as good and valuable security for repayment of the Indebtedness.

- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Existing Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

5. EFFECTIVE DATE

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2.

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of **any party's** signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

e-Signed by William Wang
on 2024-09-04 12:44:56 GMT

William Wang
Senior Director
Commercial Real Estate

e-Signed by Chris Golding
on 2024-09-04 13:21:57 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Existing Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

5. EFFECTIVE DATE

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2.

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

E-SIGNED by MATTHEW SHAVER
on 2024-09-04 17:43:24 GMT

Matthew Shaver
Authorized Signatory

E-SIGNED by Kate Low
on 2024-09-04 17:53:02 GMT

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Director, Loan Syndications



Rob Stansfield
Vice President, Corporate & Structured
Finance

THE AGENT:**ROYAL BANK OF CANADA**

Annie Lee
Associate Director
Agency Services Group

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:

ROYAL BANK OF CANADA



Annie Lee
Associate Director
Agency Services Group

Each of the undersigned hereby acknowledges and agrees to the terms and conditions of this Amendment this 4th day of September, 2024.

THE BORROWER:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
by its general partner
1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation and the Limited Partnership.

THE GUARANTORS:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.


BRIVIA FAMILY INVESTMENTS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.



KHENG LY

WITNESS:

October 2, 2024

1075 Nelson Development Limited Partnership
Suite 2400 – 745 Thurlow Street
Vancouver, BC V6E 0C5

Attention: Kheng Ly

Dear Sirs/Mesdames:

Re: Land Loan for 1059 and 1075 Nelson Street, Vancouver, British Columbia

We refer to the amended and restated credit agreement dated June 7, 2024, as amended by a first amendment to the amended and restated credit agreement dated August 30, 2024 (together, the "**Credit Agreement**"), between Royal Bank of Canada, Bank of Montreal and Meridian Credit Union Limited (collectively, the "**Lenders**"), Royal Bank of Canada as agent (the "**Agent**"), 1075 Nelson Development Limited Partnership (the "**Borrower**"), as borrower, and 1075 Nelson Development Holdings Inc. (the "**Nominee**"), as nominee and the Nominee, 1075 Nelson Development GP Inc. (the "**GP**"), Brivia Family Investments Inc. ("**Brivia**") and Kheng Ly ("**Ly**") and together with the Nominee, the GP and Brivia, the "**Guarantors**"), as guarantors

Any terms not defined in this amendment agreement (this "**Amendment**") shall have the meaning given to those terms in the Credit Agreement.

Based on the information, representations and documents you have provided to the Lenders, and at the request of the Borrower and the Guarantors, the parties agree to amend the Credit Agreement as herein set forth.

1. CREDIT AGREEMENT AMENDMENTS

The Borrower has requested that the Lenders enter into this Amendment to extend the Maturity Date to **November 30, 2024** and update the Canadian Prime Rate pricing. Accordingly, the Credit Agreement is amended as follows:

- 1.1. Section 2.6 of the Credit Agreement is amended by deleting "**September 30, 2024** (the "**Maturity Date**")" and replacing it with "**November 30, 2024** (the "**Maturity Date**")"; and
- 1.2. Section 2.7(a) of the Credit Agreement is amended by deleting "**Prime Rate plus 1.00%**" and replacing it with "**Prime Rate plus 1.50%**".

2. CONDITIONS PRECEDENT

It is a condition precedent to the approval by the Lenders of the amendments contained in this Amendment that the Agent and the Lenders will have received and approved each of the following in form and content satisfactory to the Agent and all of the Lenders in their sole discretion:

- (a) this Amendment;
- (b) payment to the Agent on behalf of the Lenders of an extension fee in the amount of **\$150,000** to be shared by the Lenders on a pro rata basis; and
- (c) payment to the Agent of all fees and disbursements of the Agent and the Lenders', including all legal fees and disbursements of the Agent and the Lenders' lawyers in connection with this Amendment.

3. REPRESENTATIONS AND WARRANTIES

Each of the Borrower and the Guarantors represents and warrants on its own behalf to the Lenders that:

- (a) Each of the representations and warranties in Section 2 of Schedule A of the Credit Agreement as amended by this Amendment remain valid and effective as of the date of this Amendment.
- (b) It has the capacity and power to execute, deliver and perform its respective obligations under this Amendment and the Security Documents to which it is a party.
- (c) The execution, delivery and performance by it of this Amendment and the Security Documents to which it is a party has been duly authorized and will not violate any agreement or instrument to which it may be bound or affected.
- (d) All acts, consents and conditions precedent required to be done, obtained and satisfied with respect to the execution and delivery of this Amendment and the Security Documents to which it is a party, and to constitute the same a legal, valid, binding and enforceable obligation of it in accordance with its terms, have been done, obtained and satisfied in compliance with applicable law.
- (e) This Amendment and the Security Documents to which it is a party have been duly executed and delivered and constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms.

4. GENERAL

- (a) This Amendment is supplemental to and amends the Credit Agreement and the Credit Agreement shall henceforth be read in conjunction with this Amendment and shall henceforth have effect so far as practicable as though all the provisions of the Credit Agreement and this Amendment were contained in one and the same document.
- (b) All provisions of the Credit Agreement, except as amended by this Amendment, remain in full force and effect and shall apply to and shall have effect in connection with this Amendment.
- (c) Each of the existing Security Documents remains in full force and effect, are hereby ratified and confirmed by the Borrower and the Guarantors party thereto and each of the Borrower and the Guarantors party thereto agrees that each such Security Document remains in full force and effect and as good and valuable security for repayment of the Indebtedness.

- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

5. EFFECTIVE DATE

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2.

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

e-Signed by William Wang
on 2024-09-27 20:41:59 GMT

William Wang
Senior Director
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-09-27 21:16:01 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

5. EFFECTIVE DATE

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2.

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

E-SIGNED by MATTHEW SHAVER
on 2024-09-27 20:21:03 GMT

Matthew Shaver
Authorized Signatory

E-SIGNED by Kate Low
on 2024-09-27 20:22:06 GMT

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:


ROYAL BANK OF CANADA



Annie Lee
Associate Director
Agency Services Group

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Director, Loan Syndications



Rob Stansfield
VP, Corporate & Structured Finance

THE AGENT:**ROYAL BANK OF CANADA**

Annie Lee
Associate Director
Agency Services Group

Each of the undersigned hereby acknowledges and agrees to the terms and conditions of this Amendment this 10th day of October, 2024.

THE BORROWER:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
by its general partner
1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation and the Limited Partnership.

THE GUARANTORS:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.


BRIVIA FAMILY INVESTMENTS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.



KHENG LY

Helen Bougas

WITNESS: Helen Bougas

November 28, 2024

1075 Nelson Development Limited Partnership
Suite 2400 – 745 Thurlow Street
Vancouver, BC V6E 0C5

Attention: Kheng Ly

Dear Sirs/Mesdames:

Re: Land Loan for 1059 and 1075 Nelson Street, Vancouver, British Columbia

We refer to the amended and restated credit agreement dated June 7, 2024, as amended by a first amendment to the amended and restated credit agreement dated August 30, 2024 and as further amended by a second amendment to the amended and restated credit agreement dated October 2, 2024 (collectively, the "**Credit Agreement**"), between Royal Bank of Canada, Bank of Montreal and Meridian Credit Union Limited (collectively, the "**Lenders**"), Royal Bank of Canada as agent (the "**Agent**"), 1075 Nelson Development Limited Partnership (the "**Borrower**") as borrower, and 1075 Nelson Development Holdings Inc. (the "**Nominee**"), as nominee and the Nominee, 1075 Nelson Development GP Inc. (the "**GP**"), Brivia Family Investments Inc. ("**Brivia**") and Kheng Ly ("**Ly**" and together with the Nominee, the GP and Brivia, the "**Guarantors**"), as guarantors.

Any terms not defined in this amendment agreement (this "**Amendment**") shall have the meaning given to those terms in the Credit Agreement.

Based on the information, representations and documents you have provided to the Lenders, and at the request of the Borrower and the Guarantors, the parties agree to amend the Credit Agreement as herein set forth.

1. CREDIT AGREEMENT AMENDMENTS

The Borrower has requested that the Lenders enter into this Amendment to extend the Maturity Date to **April 30, 2025**, and update the Canadian Prime Rate pricing and CORRA rate spread. Accordingly, the Credit Agreement is amended as follows:

- 1.1. The first paragraph of Section 2.6 of the Credit Agreement is amended by deleting "**November 30, 2024** (the "**Maturity Date**")" and replacing it with "**April 30, 2025** (the "**Maturity Date**")";
- 1.2. Section 2.7(b)(ii) of the Credit Agreement is amended by deleting "plus **3.00%** per annum," and replacing it with "plus **3.50%** per annum,"; and
- 1.3. Section 2.7(c)(ii) of the Credit Agreement is amended by deleting "plus **3.00%** per annum," and replacing it with "plus **3.50%** per annum,".

Effective as of **March 1, 2025**, the Credit Agreement is further amended as follows:

- 1.4. Section 2.7(a) of the Credit Agreement is amended by deleting "**Prime Rate plus 1.50%**" and replacing it with "**Prime Rate plus 2.00%**";
- 1.5. Section 2.7(b)(ii) of the Credit Agreement is amended by deleting "plus **3.50%** per annum," and replacing it with "plus **4.00%** per annum,"; and
- 1.6. Section 2.7(c)(ii) of the Credit Agreement is amended by deleting "plus **3.50%** per annum," and replacing it with "plus **4.00%** per annum,".

V55753\65259873\2

RESTRICTED

2. CONDITIONS PRECEDENT

It is a condition precedent to the approval by the Lenders of the amendments contained in this Amendment that the Agent and the Lenders will have received and approved each of the following in form and content satisfactory to the Agent and all of the Lenders in their sole discretion:

- (a) this Amendment;
- (b) payment to the Agent on behalf of the Lenders of an extension fee in the amount of **\$187,500** to be shared by the Lenders on a pro rata basis; and
- (c) payment to the Agent of all fees and disbursements of the Agent and the Lenders, including all legal fees and disbursements of the Agent and the Lenders' lawyers in connection with this Amendment.

3. REPRESENTATIONS AND WARRANTIES

Each of the Borrower and the Guarantors represents and warrants on its own behalf to the Lenders that:

- (a) Each of the representations and warranties in Section 2 of Schedule A of the Credit Agreement as amended by this Amendment remain valid and effective as of the date of this Amendment.
- (b) It has the capacity and power to execute, deliver and perform its respective obligations under this Amendment and the Security Documents to which it is a party.
- (c) The execution, delivery and performance by it of this Amendment and the Security Documents to which it is a party has been duly authorized and will not violate any agreement or instrument to which it may be bound or affected.
- (d) All acts, consents and conditions precedent required to be done, obtained and satisfied with respect to the execution and delivery of this Amendment and the Security Documents to which it is a party, and to constitute the same a legal, valid, binding and enforceable obligation of it in accordance with its terms, have been done, obtained and satisfied in compliance with applicable law.
- (e) This Amendment and the Security Documents to which it is a party have been duly executed and delivered and constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms.

4. GENERAL

- (a) This Amendment is supplemental to and amends the Credit Agreement and the Credit Agreement shall henceforth be read in conjunction with this Amendment and shall henceforth have effect so far as practicable as though all the provisions of the Credit Agreement and this Amendment were contained in one and the same document.
- (b) All provisions of the Credit Agreement, except as amended by this Amendment, remain in full force and effect and shall apply to and shall have effect in connection with this Amendment.
- (c) Each of the existing Security Documents remains in full force and effect, are hereby ratified and confirmed by the Borrower and the Guarantors party thereto and each of the Borrower and the Guarantors party thereto agrees that each such Security Document remains in full force and effect and as good and valuable security for repayment of the Indebtedness.

- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

5. **EFFECTIVE DATE**

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2 and will be effective as of **November 30, 2024**.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGES FOLLOW.]

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:**ROYAL BANK OF CANADA**

e-Signed by William Wang
on 2024-11-29 14:56:02 GMT

William Wang
Senior Director
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-11-29 16:24:34 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:**ROYAL BANK OF CANADA**

Annie Lee
Associate Director
Agency Services Group

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:**ROYAL BANK OF CANADA**

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

E-SIGNED by MATTHEW SHAVER
on 2024-12-12 17:21:53 GMT

Matthew Shaver
Authorized Signatory

E-SIGNED by Kate Low
on 2024-12-12 17:23:39 GMT

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:**ROYAL BANK OF CANADA**

Annie Lee
Associate Director
Agency Services Group

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:**ROYAL BANK OF CANADA**

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

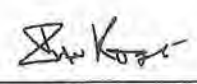
BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED


Yanzhi Chen
Authorized Signatory


Ivan Konczynski
Authorized Signatory

THE AGENT:**ROYAL BANK OF CANADA**

Annie Lee
Associate Director
Agency Services Group

6. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:**ROYAL BANK OF CANADA**

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory


Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:**ROYAL BANK OF CANADA**




Drake Guo
Deal Manager
Agency Services Group

Each of the undersigned hereby acknowledges and agrees to the terms and conditions of this Amendment this 12th day of December, 2024.

THE BORROWER:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
by its general partner
1075 NELSON DEVELOPMENT GP INC.

Per:




Kheng Ly
Authorized Signatory

I have authority to bind the Corporation and the Limited Partnership.

THE GUARANTORS:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:




Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

1075 NELSON DEVELOPMENT GP INC.

Per:




Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

BRIVIA FAMILY INVESTMENTS INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.



KHENG LY

Amelie Fahey

WITNESS: Amelie Fahey

April 25, 2025

1075 Nelson Development Limited Partnership
Suite 2400 – 745 Thurlow Street
Vancouver, BC V6E 0C5

Attention: Kheng Ly

Dear Sirs/Mesdames:

Re: Land Loan for 1059 and 1075 Nelson Street, Vancouver, British Columbia

We refer to the amended and restated credit agreement dated June 7, 2024, as amended by a first amendment to the amended and restated credit agreement dated August 30, 2024 and as further amended by a second amendment to the amended and restated credit agreement dated October 2, 2024 and a third amendment to the amended and restated credit agreement dated November 28, 2024 (collectively, the "**Credit Agreement**"), between Royal Bank of Canada, Bank of Montreal and Meridian Credit Union Limited (collectively, the "**Lenders**"), Royal Bank of Canada as agent (the "**Agent**"), 1075 Nelson Development Limited Partnership (the "**Borrower**"), as borrower, and 1075 Nelson Development Holdings Inc. (the "**Nominee**"), as nominee and the Nominee, 1075 Nelson Development GP Inc. (the "**GP**"), Brivia Family Investments Inc. ("**Brivia**") and Kheng Ly ("**Ly**" and together with the Nominee, the GP and Brivia, the "**Guarantors**"), as guarantors.

Any terms not defined in this amendment agreement (this "**Amendment**") shall have the meaning given to those terms in the Credit Agreement.

Based on the information, representations and documents you have provided to the Lenders, and at the request of the Borrower and the Guarantors, the parties agree to amend the Credit Agreement as herein set forth.

1. CREDIT AGREEMENT AMENDMENTS

The Borrower has requested that the Lenders enter into this Amendment to extend the Maturity Date to **July 31, 2025**, and update the Canadian Prime Rate pricing and CORRA pricing. Accordingly, the Credit Agreement is amended as follows:

- 1.1. The first paragraph of Section 2.6 of the Credit Agreement is amended by deleting "**April 30, 2025** (the "**Maturity Date**")" and replacing it with "**July 31, 2025** (the "**Maturity Date**")",
- 1.2. Section 2.7(a) of the Credit Agreement is amended by deleting "Canadian Prime Rate plus **2.00%** per annum," and replacing it with "Canadian Prime Rate plus **2.50%** per annum,"
- 1.3. Section 2.7(b)(ii) of the Credit Agreement is amended by deleting "plus **4.00%** per annum," and replacing it with "plus **4.50%** per annum,"; and
- 1.4. Section 2.7(c)(ii) of the Credit Agreement is amended by deleting "plus **4.00%** per annum," and replacing it with "plus **4.50%** per annum,".

2. CONDITIONS PRECEDENT

It is a condition precedent to the approval by the Lenders of the amendments contained in this Amendment that the Agent and the Lenders will have received and approved each of the following in form and content satisfactory to the Agent and all of the Lenders in their sole discretion:

- (a) this Amendment;
- (b) written confirmation from each of 1409658 and Travelers Insurance Company of Canada with respect to the priority of the Security Documents, in form and substance acceptable to the Agent;
- (c) payment to the Agent on behalf of the Lenders of an extension fee in the amount of **\$225,000**, to be shared by the Lenders on a pro rata basis; and
- (d) payment to the Agent of all fees and disbursements of the Agent and the Lenders, including all legal fees and disbursements of the Agent and the Lenders' lawyers in connection with this Amendment.

3. CONDITIONS SUBSEQUENT

Receipt by the Agent and the Lenders of the following are conditions subsequent to the approval by the Lenders of this Amendment:

- (a) a Broker Opinion of Value (BOV) from CBRE with respect to the Lands which outlines CBRE's opinion of value if the current land site were to trade in the market within the next 3-4 months. The BOV is to be on mandate terms acceptable to the Agent and Lenders, and be obtained as soon commercially practicable;
- (b) payment to the Agent of all fees and disbursements of the Agent and the Lenders related to the BOV. The fees and expenses shall be payable within 5 days following demand thereof by the Agent;
- (c) all information related to the Lands, the Credit Parties and the development of the Lands as the Agent may request in connection with the preparation of the BOV. Such information to be provided forthwith following request by the Agent.

Any failure to satisfy any one or more of the above conditions subsequent shall, upon notice thereof from the Agent to the Borrower, be deemed to be an Event of Default.

4. REPRESENTATIONS AND WARRANTIES

Each of the Borrower and the Guarantors represents and warrants on its own behalf to the Lenders that:

- (a) Each of the representations and warranties in Section 2 of Schedule A of the Credit Agreement as amended by this Amendment remain valid and effective as of the date of this Amendment.
- (b) It has the capacity and power to execute, deliver and perform its respective obligations under this Amendment.
- (c) The execution, delivery and performance by it of this Amendment has been duly authorized and will not violate any agreement or instrument to which it may be bound or affected.
- (d) All acts, consents and conditions precedent required to be done, obtained and satisfied with respect to the execution and delivery of this Amendment, and to constitute the same a legal, valid,

binding and enforceable obligation of it in accordance with its terms, have been done, obtained and satisfied in compliance with applicable law

- (e) This Amendment to which it is a party have been duly executed and delivered and constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms.

5. GENERAL

- (a) This Amendment is supplemental to and amends the Credit Agreement and the Credit Agreement shall henceforth be read in conjunction with this Amendment and shall henceforth have effect so far as practicable as though all the provisions of the Credit Agreement and this Amendment were contained in one and the same document.
- (b) All provisions of the Credit Agreement, except as amended by this Amendment, remain in full force and effect and shall apply to and shall have effect in connection with this Amendment.
- (c) Each of the existing Security Documents remains in full force and effect, are hereby ratified and confirmed by the Borrower and the Guarantors party thereto and each of the Borrower and the Guarantors party thereto agrees that each such Security Document remains in full force and effect and as good and valuable security for repayment of the Indebtedness.
- (d) Nothing herein contained or in any document given or executed in pursuance hereof or supplemental hereto shall be deemed to constitute a waiver by the Lenders of any covenant, term, representation, warranty or agreement by the Borrower or any Guarantor under the Credit Agreement or the Security Documents or a surrender of any rights or the security thereby conferred on the Lenders nor shall there be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation or liability of the Borrower existing at the date of issuance of this Amendment.
- (e) Each of the Borrower and the Guarantors represent that they have received independent legal advice prior to the execution of this Amendment.
- (f) This Amendment shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

6. EFFECTIVE DATE

The provisions of this Amendment are effective as and from the date that Agent on behalf of the Lenders has confirmed satisfaction of the conditions precedent set forth in Section 2 and will be effective as of **April 30, 2025**.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGES FOLLOW.]

7. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

e-Signed by William Wang
on 2025-04-30 20:59:51 GMT

William Wang
Senior Director
Commercial Real Estate

e-Signed by Jeff Parkes
on 2025-04-30 21:00:14 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:

ROYAL BANK OF CANADA

Annie Lee
Associate Director
Agency Services Group

7. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Craig Khattar
Craig Khattar
Authorized Signatory

Josh Seager
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:

ROYAL BANK OF CANADA

Annie Lee
Associate Director
Agency Services Group

7. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:

ROYAL BANK OF CANADA

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate


BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED


Yanzhi Chen
Authorized Signatory


Rob Stansfield
Authorized Signatory

THE AGENT:

ROYAL BANK OF CANADA

Annie Lee
Associate Director
Agency Services Group

7. COUNTERPARTS

The terms and conditions of this Amendment may be accepted by signing, dating and returning the enclosed duplicate copy of this Amendment signed by the Borrower and the Guarantors to the Agent. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed will be deemed to be an original and all of which taken together will constitute one and the same agreement. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature. Failing such acceptance, this Amendment will be of no further force or effect.

Yours truly,

THE LENDERS:**ROYAL BANK OF CANADA**

William Wang
Senior Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL

Matthew Shaver
Authorized Signatory

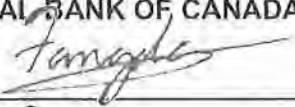
Kate Low
Authorized Signatory

MERIDIAN CREDIT UNION LIMITED

Yanzhi Chen
Authorized Signatory

Rob Stansfield
Authorized Signatory

THE AGENT:**ROYAL BANK OF CANADA**



Drake Guo
Deal Manager
Agency Services Group

Each of the undersigned hereby acknowledges and agrees to the terms and conditions of this Amendment this 30 day of April, 2025.

THE BORROWER:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
by its general partner
1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation and the Limited Partnership.

THE GUARANTORS:

1075 NELSON DEVELOPMENT HOLDINGS INC.

Per:




Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

1075 NELSON DEVELOPMENT GP INC.

Per:



Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.

BRIVIA FAMILY INVESTMENTS INC.

Per:

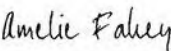


Kheng Ly
Authorized Signatory

I have authority to bind the Corporation.



KHENG LY



WITNESS: Amelie Fahey

This is **Exhibit "B"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For Ontario

AMENDED AND RESTATED INTERLENDER AGREEMENT**"1059 AND 1075 NELSON STREET"**

THIS AGREEMENT made as of June 7, 2024

BETWEEN:

ROYAL BANK OF CANADA
as Lender

("RBC")

AND:

BANK OF MONTREAL
as Lender

("BMO")

AND:

MERIDIAN CREDIT UNION LIMITED
as Lender

("Meridian")

AND:

ROYAL BANK OF CANADA
as Administrative Agent, Syndication Agent and Lead Arranger

WHEREAS:

- A. Pursuant to the Credit Agreement, each of the Lenders has agreed to make available to the Borrower its respective Proportionate Share of the Loan Facility as set out in Schedule A for the purposes and on the terms and conditions set out in the Credit Agreement;
- B. The Lenders have agreed to appoint the Agent as administrative and collateral agent to administer the Loan Facility on behalf of the Lenders as set out in this Agreement;
- C. As security for the Loan Indebtedness, the Credit Parties have agreed to grant to the Agent and the Lenders the Security; and
- D. Each of the Lenders has agreed that its respective rights, interests, and obligations under the Credit Agreement and the Security shall be governed by the terms and conditions set out in this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements set out below, the Lenders agree with each other and the Agent as follows:

1. INTERPRETATION

1.1 Definitions

Where used in this Agreement, each of the terms defined in the Credit Agreement shall have the meanings ascribed to them there, and the following terms shall have the meanings shown:

- (a) **"Action"** means any action or proceeding to enforce payment of the Loan Indebtedness, or any parts thereof or to enforce performance by any of the Credit Parties of any obligation under the Security, including without limitation:
 - (i) making demand for payment of all or any part of the Loan Indebtedness following the occurrence of an Event of Default;
 - (ii) accelerating the maturity of the Loan Indebtedness or any part thereof following demand upon the occurrence of an Event of Default;
 - (iii) commencement of enforcement proceedings following demand upon the occurrence of an Event of Default, whether by way of the appointment of a receiver, or enforcing any other rights under the Security or any other document or instrument taken or given pursuant thereto;
- (b) **"Agent"** means RBC, acting in the capacity of administrative and collateral agent for and on behalf of the Lenders in respect of the Loan Facility, and any successor administrative and collateral agent appointed in accordance with the terms and conditions of the Credit Agreement and this Agreement;
- (c) **"Agent's Fees"** means the fees payable by the Borrower to the Agent for the account of the Agent pursuant to subsection 2.9(b) of the Credit Agreement;
- (d) **"this Agreement"** and similar expressions means or refers to this agreement as modified, supplemented, or amended from time to time;
- (e) **"Authorized Representative"** means the officer of the Agent and each Lender designated as such by the Agent and each Lender from time to time;
- (f) **"Borrower"** means 1075 Nelson Development Limited Partnership and its successors and assigns;
- (g) **"Commitment Fee"** means the structuring and commitment fee paid by the Borrower to the Agent for the account of the Lenders pursuant to subsection 2.9(a) of the Credit Agreement;
- (h) **"Credit Agreement"** means the amended and restated credit agreement between the Agent, the Lenders, the Borrower, the Nominee and the Guarantor made as of June 7, 2024, including all amendments, restatements, renewals and replacements thereof from time to time;
- (i) **"Credit Parties"** means the Borrower, the Nominee and the Guarantor;

- (j) **"Existing Interlender Agreement"** means the existing interlender agreement dated May 11, 2023, as amended by an amendment dated July 7, 2023, made between the Agent and the Lenders, in connection with, inter alia, the relationship between the Lenders and the administration of the Agent of the Loan Facility;
- (k) **"Funding Account"** means the applicable account at the Agent designated for the purpose of the Lenders funding advances under the Loan Facility;
- (l) **"Guarantor"** means, collectively, the Guarantors of the Loan Facility as set out in the Credit Agreement;
- (m) **"Indebtedness"** means the total outstanding indebtedness, liabilities and obligations of the Borrower to any one Lender under the Loan Facility;
- (n) **"Insolvency Event"** means the occurrence of any one or more of the following events in respect of any Credit Party or any Lender:
 - (i) it commits an act of bankruptcy or becomes insolvent (such terms having the respective meanings ascribed thereto in the *Bankruptcy and Insolvency Act (Canada)*;
 - (ii) it makes an assignment for the benefit of creditors, makes a proposal under the *Bankruptcy and Insolvency Act (Canada)* or commences any other proceeding under Insolvency Legislation;
 - (iii) it is adjudicated insolvent or bankrupt;
 - (iv) it consents to the appointment of any receiver, trustee or similar liquidator in respect of all or any material portion of its property;
 - (v) any receiver, trustee, manager, consultant, liquidator or similar party is appointed in respect of it or any of its property;
 - (vi) it admits the material allegations of a petition or application filed with respect to it in any bankruptcy, reorganization or insolvency proceeding;
 - (vii) it takes any corporate action for the purpose of effecting any of the foregoing; or
 - (viii) any proceedings are commenced against it pursuant to Insolvency Legislation and are not diligently contested by it in good faith and on reasonable grounds;
- (o) **"Insurance Proceeds"** means monies paid to the Agent and the Lenders, or any of them, under insurance policies on the Lands, or other types of insurance which the Borrower, the Agent or any of the Lenders may have caused to be placed with loss payable to the Agent, the Lenders, or any of them;

- (p) **"Lenders"** means, collectively, RBC, BMO and Meridian as the original lenders under the Loan Facility and any other persons which may become Lenders under the Loan Facility pursuant to this Agreement, and **"Lender"** means any of them;
- (q) **"Lender's Portion"** means the agreement by each Lender to provide the amount of each Loan Facility set opposite its name in Schedule A;
- (r) **"Loan Documents"** means the Credit Agreement, the Security Documents and this Agreement;
- (s) **"Loan Facility"** means the land loan and predevelopment facility in the aggregate amount of **\$90,000,000** provided by the Lenders to the Borrower pursuant to the Credit Agreement;
- (t) **"Loan Indebtedness"** means the sum of the Indebtedness of the Borrower to all of the Lenders under the Loan Facility;
- (u) **"Majority Lender Approval"** means the written approval, consent or resolution of the Majority of the Lenders;
- (v) **"Majority of the Lenders"** means (i) if there are only two Lenders, both Lenders and (ii) if there are more than two Lenders, any two or more Lenders which have Lender's Portions representing **66.67%** or more of the Total Lenders' Portions;
- (w) **"Nominee"** means 1075 Nelson Development Holdings Inc.;
- (x) **"Overnight Rate"** means the interest rate at which major Canadian financial institutions borrow or lend one-day funds among themselves as determined by reference to the target overnight rate set by the Bank of Canada less 0.25%, which is the lower end of the overnight band;
- (y) **"Proceeds of Realization"** means all cash and non-cash proceeds derived from any sale, disposition or other realization of the property and assets of any of the Credit Parties;
- (z) **"Project Account"** means the current account of the Borrower maintained at the Agent;
- (aa) **"Proportionate Share"** means with respect to a particular Lender, the ratio of such Lender's Portion to the Total Lenders' Portions for the Loan Facility, subject to adjustment in accordance with the provisions of this Agreement, and which, as of the date of this Agreement are as set out in Schedule A, provided that if any Action has occurred or been taken, or if the Lenders' Portions have terminated or expired, the ratio shall be calculated using the Ratio of Indebtedness. Reference hereunder to **"pro rata"** as amongst the Lenders means in accordance with each Lender's Proportionate Share or Ratio of Indebtedness, as applicable;
- (bb) **"Protective Disbursement Advance"** means advances under the Loan Facility necessary or prudent for the protection or preservation of the Lands or to avoid the probability or likelihood of losses to the Lenders and the Agent under the Loan Facility, the Credit Agreement or the Security, including without limitation

advances to pay for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Lands or to discharge any liens, charges or encumbrances ranking in priority to the Security as against the Lands;

- (cc) **"Ratio of Indebtedness"** means, for a Lender, the ratio of its Indebtedness to the Loan Indebtedness;
- (dd) **"Security"** means the loan and security documents defined as the **"Security Documents"** in the Credit Agreement and any security granted in favour of the Agent or any of the Lenders in addition to or in substitution therefor in accordance with the Credit Agreement or this Agreement; and
- (ee) **"Total Lenders' Portions"** means the aggregate amount of the Lenders' Portions.

1.2 Governing Law

This Agreement shall be construed and enforced in accordance with and the rights of the Agent and the Lenders shall be governed by the laws of the Province of British Columbia and the Agent and each of the Lenders hereby irrevocably attorn to the jurisdiction of the courts of the Province of British Columbia in this regard.

1.3 Severability

Should any part of this Agreement be declared or held invalid for any reason, that invalidity shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion and it is hereby declared the intention of the Agent and the Lenders that this Agreement would have been executed without reference to any portion which may for any reason be hereafter declared or held invalid.

1.4 Captions

The captions appearing in this Agreement have been inserted for reference and as a matter of convenience and in no way define, limit, or enlarge the scope or meaning of this Agreement or any provisions hereof.

1.5 Cross-References

Unless otherwise stated a reference in this Agreement to a numbered or lettered section refers to the section bearing that number or letter in this Agreement.

1.6 Lenders not to be Considered Partners

The obligations of the Lenders under the Credit Agreement and this Agreement are separate and not joint or joint and several, and nothing in this Agreement or in the Security shall be construed as constituting a partnership of the Lenders.

1.7 Time of Essence

Time shall be of the essence of this Agreement.

1.8 Schedules

The Schedules attached hereto are incorporated by reference into this Agreement and form a part of this Agreement.

1.9 Amendment and Restatement

This Agreement amends and restates, and supersedes in its entirety, the Existing Interlender Agreement.

2. SECURITY

The Security shall be taken by the Agent in its name and the Agent shall hold the Security, directly for itself and as agent for the Lenders upon and subject to the terms of this Agreement.

3. FUNDING PROCEDURES**3.1 Advance Procedure**

- (a) If in accordance with section 6 of Schedule A to the Credit Agreement either all of the Lenders or the Majority of the Lenders, as applicable, have determined that the Conditions Precedent to an advance under the Loan Facility have been satisfied as set forth in the Credit Agreement, each of the Lenders will advance its Proportionate Share of the advance to the Funding Account in immediately available funds and the Agent shall make the advance available to the Borrower by debiting the Funding Account and, in the absence of other arrangements agreed to by the Agent and the Borrower in writing, by transferring (or causing to be transferred) like funds to the Project Account.
- (b) The obligation of the Agent hereunder shall be limited to taking such steps as are commercially reasonable to implement such instructions, which steps once taken shall constitute conclusive and binding evidence that such funds were advanced hereunder in accordance with the provisions relating thereto and the Agent shall not be liable for any damages, claims or costs which may be suffered by the Borrower and occasioned by the failure of such advance to reach the designated destination.

3.2 Payment to Agent

- (a) Unless the Agent has been notified in writing by a Lender by 12:00 noon (Vancouver time) one Business Day prior to the Advance Date requested by the Borrower that such Lender has determined that the Conditions Precedent have not been satisfied and will not make available to the Agent its Proportionate Share of such advance, the Agent may assume that such Lender has made such portion of the Loan Facility available to the Agent on the Advance Date in accordance with the provisions hereof and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding

amount, provided that on the Advance Date no Lender shall be obligated to advance if a builders lien has been registered or is pending in the Land Title Office against the Lands.

- (b) If and to the extent such Lender shall not have so made its Proportionate Share of an advance available to the Agent, such Lender agrees to pay to the Agent forthwith on demand its Proportionate Share of the advance and all reasonable costs and expenses incurred by the Agent in connection therewith together with interest thereon (at the Overnight Rate) for each day from the date such amount is made available to the Borrower until the date such amount is paid to the Agent, provided, however, that notwithstanding such obligation if such Lender fails to so pay, the Borrower shall without prejudice to any rights the Borrower may have against such Lender, repay such amount to the Agent forthwith after demand therefor by the Agent pursuant to the Credit Agreement. The amount payable to the Agent pursuant hereto shall be as set forth in a certificate delivered by the Agent to such Lender and the Borrower (which certificate shall contain reasonable details of how the amount payable is calculated) and shall be conclusive and binding, for all purposes, in the absence of manifest error. If such Lender makes the payment to the Agent required herein, the amount so paid shall constitute such Proportionate Share of the advance for purposes of this Agreement.
- (c) The failure of any Lender to make its Proportionate Share of the advance shall not relieve any other Lender of its obligation, if any, to make its Proportionate Share of the advance on the Advance Date. No Lender shall be responsible to the Borrower or any other Lender for the failure of any other Lender to make the Proportionate Share of the advance to be made by such other Lender on the date of any advance, nor shall any Lender be obligated to make any advance that exceeds its Proportionate Share of the combined advance being made by the Lenders.

3.3 Defaulting Lender – Conditions Precedent Satisfied

No Lender will be responsible for any default by any other Lender in its obligation to make advances available to a Borrower nor will any Lender's Portion under the Loan Facility be increased as a result of any such default, except as provided in this section.

If under section 3.1 above, all of the Lenders or the Majority of the Lenders, as applicable, have determined that the Conditions Precedent to an advance under the Loan Facility have been satisfied and any Lender (the "**Defaulting Lender**") fails to make available its Proportionate Share of the advance and fails to make payment to the Agent under section 3.2 above, the Agent will promptly notify the other Lenders of such failure, and:

- (a) any Lender, upon notice to the Borrower, the Agent and the other Lenders, may make available to the Borrower within two (2) Business Days after the applicable Advance Date the amount (or if more than one Lender so elects, its Proportionate Share, of that portion as nearly as practicable in the opinion of the Agent) of the advance not funded by the Defaulting Lender (the "**Additional Advance**"). The Agent shall thereupon make the appropriate upward and downward adjustment of the applicable Lenders' Portions and Proportionate

Shares relative to the Loan Facility, necessitated by the making of such Additional Advance by such Lender;

- (b) if any Lender makes such an Additional Advance, such Lender may require the Defaulting Lender's share of any Indebtedness received by the Agent or the Lenders to be paid firstly to such Lender until the amount of the Additional Advance plus interest thereon has been repaid in full, at which time the Lenders' Proportionate Shares will be readjusted accordingly. Nothing in this subsection shall be deemed to relieve any Lender of its obligation to make any advances available when required to do so under the Credit Agreement or this Agreement, or to prejudice any rights which the Borrower, the Agent or any other Lender may have against the Defaulting Lender;
- (c) if a Lender makes such an Additional Advance, the Defaulting Lender will pay to such Lender a portion of the Commitment Fee based on the proportion that the amount of the Additional Advance bears to the Defaulting Lender's share of the Loan Facility. If the Defaulting Lender subsequently reimburses the Lender for the Additional Advance plus interest thereon, such Lender will return the portion of such fee paid to it;
- (d) the other Lenders may give notice to the Defaulting Lender that they may seek to replace the Defaulting Lender and acquire amongst themselves or seek a replacement lender, including themselves (a "**Replacement Lender**") to acquire the Lender's Portion of such Defaulting Lender unless the Defaulting Lender advances to the Agent its Proportionate Share of the advance or advances in question not funded by it within seven (7) Business Days of receipt of such notice;
- (e) if the Defaulting Lender has not made payment in accordance with paragraph (d) above, and the other Lenders find a Replacement Lender for the Defaulting Lender, the Defaulting Lender will assign all of its rights and obligations under this Agreement, the Credit Agreement and the Security, including its Lender's Portion and its Indebtedness, to such Replacement Lender upon payment to the Defaulting Lender of the amount of its Indebtedness; and
- (f) if the Lenders find a Replacement Lender for the Defaulting Lender, the Defaulting Lender will pay to the Replacement Lender the portion of the Commitment Fee in proportion to the unadvanced balance of the Defaulting Lender's share of the Loan Facility.

3.4 Declining Lender – Conditions Precedent Not Satisfied

If under section 3.1 above, all of the Lenders or the Majority of the Lenders, as applicable, have determined that the Conditions Precedent to an advance under the Loan Facility have **not** been satisfied, none of the Lenders are required to fund their respective portions of the requested advance. However:

- (a) if notwithstanding such non-satisfaction a Majority of the Lenders elect(s) to fund their respective Proportionate Share of the advance, any one or more of such Lenders (or if more than one Lender so elects, its Proportionate Share of the Declining Lenders Share as determined by the Agent) may also fund the

Proportionate Share (the "**Declining Lender's Share**") of a Lender (the "**Declining Lender**") who declines to advance its Proportionate Share of the advance, and the applicable Lender's Portion of such funding Lender(s) and the Declining Lender and their respective Proportionate Shares shall be adjusted by the Agent accordingly upward or downward:

- (b) if the Declining Lender's Share is advanced by such funding Lender(s), the Declining Lender's share of any Indebtedness received by the Lenders will be paid firstly to such Lender(s) until the amount of the Declining Lender's Share plus interest thereon has been repaid in full, at which time the Lenders' Proportionate Share will be readjusted accordingly;
- (c) the other Lenders may give notice to the Declining Lender that they may seek to replace the Declining Lender with a Replacement Lender to acquire the Lender's Portion of such Declining Lender unless the Declining Lender advances to the Agent its Proportionate Share of the advance or advances in question not funded by it within seven (7) Business Days of receipt of such notice;
- (d) if the Declining Lender has not made payment in accordance with paragraph (c) above and the other Lenders find a Replacement Lender for the Declining Lender, the Declining Lender will assign all of its rights and obligations under this Agreement, the Facility Letter and the Security, including its Lender's Portion and its Indebtedness, to such Replacement Lender upon payment to the Declining Lender of the amount of its Indebtedness; and
- (e) the Declining Lender shall be entitled to retain its share of the Commitment Fee and shall not be under any obligation to pay any portion of its share of the Commitment Fee to the Replacement Lender

3.5 Non-Funding Lenders

Notwithstanding any other provision of this Agreement, in the event that a Lender:

- (i) is a Defaulting Lender or has otherwise failed to fund any payment or its Proportionate Share of any Borrowing required to be made by it under the Credit Agreement or any other Loan Document for any reason (other than such Lender being a Declining Lender under section 3.4); or
- (ii) has given verbal or written notice to the Borrower, the Agent, any Lender or any other Person or has otherwise publicly announced that it believes it will be unable to fund additional advances, payments or other obligations hereunder or other credit arrangements to which it is a party; or
- (iii) is itself the subject of an Insolvency Event which has not been dismissed within 30 days;

(such Lender hereafter referred to as a "**Non-Funding Lender**"), then:

- (a) such Non-Funding Lender shall have no voting or consent rights with respect to matters under the Loan Documents. Accordingly, the Lender's Portion and the aggregate principal amount of each Loan Facility owing to any Non-Funding

Lender shall be disregarded in determining the Majority of the Lenders and all Lenders or all affected Lenders. Notwithstanding the foregoing, should a Non-Funding Lender (i) fund its Proportionate Share of all outstanding Borrowings that it previously failed to fund and pay all other amounts owing to the Agent, and (ii) confirm in writing to the Agent that there is no reasonable likelihood that it will subsequently again become a Non-Funding Lender, then such Lender shall thereafter be entitled to vote and shall have consent rights in the same manner and fashion as if it were not a Non-Funding Lender;

- (b) the Agent shall be entitled to set off any Non-Funding Lender's Proportionate Share of all payments received from the Borrower against such Non-Funding Lender's obligations to fund payments and Borrowings required to be made by it;
- (c) the Agent shall be entitled to withhold and deposit in one or more non interest-bearing cash collateral accounts in the name of the Agent all amounts (whether principal, interest, fees or otherwise) received by the Agent and due to a Non-Funding Lender pursuant to this Agreement which amounts shall be used by the Agent:
 - (i) first, to reimburse the Agent for any amounts owing to it by the Non-Funding Lender pursuant to any Loan Document;
 - (ii) second, to repay any Borrowings made by a Lender in order to fund a shortfall created by a Non-Funding Lender;
 - (iii) third, to cash collateralize all other obligations of such Non-Funding Lender to the Agent owing pursuant to the Loan Documents in such amount as shall be determined from time to time by the Agent in its sole discretion including, without limitation, such Non-Funding Lender's obligation to pay its Proportionate Share of any indemnification or expense reimbursement amounts not paid by the Borrower; and
 - (iv) fourth, at the Agent's sole discretion, to fund from time to time the Non-Funding Lender's Proportionate Share of Borrowings under the Loan Facility;
- (d) such Non-Funding Lender shall not be entitled to its Proportionate Share of any fees payable by the Borrower in accordance with the Loan Documents during the period for which it is a Non-Funding Lender;
- (e) the other Lenders may give notice to the Non-Funding Lender that they may seek to replace the Non-Funding Lender and acquire amongst themselves or seek a Replacement Lender to acquire the Lender's Portion of such Non-Funding Lender unless the Non-Funding Lender advances to the Agent its Proportionate Share of the advance or advances in question not funded by it within seven (7) Business Days of receipt of such notice;
- (f) If the Non-Funding Lender has not made payment in accordance with section 3.5(e) above, and the other Lenders find a Replacement Lender for the Non-Funding Lender, the Non-Funding Lender will assign all of its rights and obligations under this Agreement, the Credit Agreement and the Security,

including its Lender's Portion and its Indebtedness, to such Replacement Lender upon payment to the Non-Funding Lender of the amount of its Indebtedness; and

- (g) If the Lenders find a Replacement Lender for the Non-Funding Lender, the Non-Funding Lender will pay to the Replacement Lender its portion of the Commitment Fee in proportion to the unadvanced balance of the Non-Funding Lender's share of the Loan Facility.

3.6 Protective Disbursement Advances

If the Agent is of the reasonable opinion that a Protective Disbursement Advance should be made under the Loan Facility, the Agent shall deliver to the Lenders a written request that same be made, accompanied by such written particulars of same as the Agent considers appropriate (acting reasonably) and a calculation of each Lender's share of such Protective Disbursement Advance. Each Lender shall, within ten (10) Business Days after receiving the Agent's request, pay to the Agent its Proportionate Share of such Protective Disbursement Advance. Upon receipt of each Lender's Proportionate Share of such Protective Disbursement Advance, the Agent shall expend such monies for their intended purpose. If a Lender does not participate in the Protective Disbursement Advance such Lender will be considered a Defaulting Lender and the provisions of section 3.3 above shall apply with respect to the Defaulting Lender's portion of the Protective Disbursement Advance unless and until it repays its portion of the Protective Disbursement Advance.

4. SWINGLINE FACILITIES – INTENTIONALLY DELETED

5. LETTER OF CREDIT FACILITY – INTENTIONALLY DELETED

6. BANKERS' ACCEPTANCES – INTENTIONALLY DELETED

7. REMITTING OF PAYMENTS

7.1 Remitting of Payments

Forthwith after receipt of any payment of principal, interest or fees pursuant to the Credit Agreement, the Agent shall remit to each Lender its Proportionate Share of such payment; provided that if the Agent, on the assumption that it will receive on any particular date a payment of principal, interest or fees hereunder, remits to each Lender its Proportionate Share of such payment and the Borrower fails to make such payment, each of the Lenders agrees to repay to the Agent forthwith on demand such Proportionate Share of the payment made pursuant hereto together with all reasonable costs and expenses incurred by the Agent in connection therewith and interest thereon at the Overnight Rate for each day from the date such amount is remitted to the Lenders. The exact amount of the repayment required to be made by the Lenders pursuant hereto shall be as set forth in a certificate delivered by the Agent to each Lender, which certificate shall be conclusive and binding for all purposes in the absence of manifest error.

7.2 Fees

- (a) The Lenders' Commitment Fee payable by the Borrower to the Agent on behalf of the Lenders shall be shared by the Lenders on a pro rata basis.
- (b) The Agent's Fees payable by the Borrower to the Agent are for the account only of the Agent.
- (c) No servicing, management or similar fee shall be payable by any of the Lenders to the Agent for its services performed under this Agreement.

8. TIMING OF PAYMENTS

Interest on funds advanced by a Lender shall be calculated and paid from and including the date of actual receipt of the funds by the Agent up to but excluding the date of repayment to the Lender. Funds paid by or to a Lender shall be deemed received on the Business Day of receipt unless they are received after 11:00 a.m. Vancouver time in which case they shall be deemed received on the next Business Day.

9. SHARING UNDER THE SECURITY

- 9.1 All Security shall be issued to and in the name of the Agent, as trustee and agent for and on behalf of the Lenders in accordance with their respective Proportionate Shares and shall be held by the Agent as trustee and agent for and on behalf of the Lenders as continuing collateral security for all of the Loan Indebtedness.
- 9.2 The interest of each of the Lenders under the Security shall rank *pari passu* with each other based on each Lender's Proportionate Share, notwithstanding the dates of advancement of funds by any of the Lenders under the Loan Facilities.

10. APPOINTMENT OF AGENT AND LOAN ADMINISTRATION

10.1 Authorization

Each Lender hereby appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement, the Security and this Agreement as are delegated to the Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. The Agent may refrain from exercising any right, power or discretion vested in it under this Agreement unless and until instructed by the Majority of the Lenders as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised (provided that such instructions shall be required to be provided by all of the Lenders in respect of any matter for which the unanimous consent of the Lenders is required as set out in section 10.9). The Agent shall not be required to take any action which exposes the Agent to personal liability or which is contrary to this Agreement, the Credit Agreement, the Security or applicable law. The provisions of this section 10 are solely for the benefit of the Agent and the Lenders, and no Credit Party shall have any rights as a third party beneficiary of any of such provisions.

10.2 Duties and Obligations

The duties and obligations of the Agent hereunder shall be mechanical and administrative in nature, and the Agent shall not have by reason of this Agreement any fiduciary relationship or other implied duties with or to any Lender.

The Agent shall not be liable to any Lender for any action taken or omitted to be taken by it under or in connection with this Agreement, the Credit Agreement or the Security except for its own gross negligence or wilful misconduct.

Further, the Agent:

- (a) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Agent is required to exercise as directed in writing by the Majority of the Lenders (or such other number or percentage of the Lenders as shall be expressly provided for hereunder), but the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to the Credit Agreement, any Security or applicable law;
- (b) neither makes any warranty or representation to any Lender nor shall be responsible to any Lender for the accuracy or completeness of the documents, information or financial data made available to the Lenders in connection with the negotiation of the Credit Agreement or the Security, or for any statements, warranties or representations (whether written or oral) made in or in connection with the Credit Agreement or the Security;
- (c) shall not have any duty to ascertain or to inquire as to the performance or observation of any of the terms, covenants, or conditions of the Credit Agreement or the Security on the part of the Borrower or any other person or to inspect any assets (including books and records); and
- (d) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or the Security.

10.3 Each Lender's Credit Decision

It is acknowledged and agreed by each Lender that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Credit Parties and the Lands. Accordingly, each Lender confirms to the Agent and each other Lender that it has not relied, and will not hereafter rely, on the Agent or any other Lender.

- (a) to check or inquire on its behalf into the adequacy, accuracy or completeness of any information provided by or on behalf of the Credit Parties under or in connection with the Credit Agreement or the Security or the transactions therein contemplated, including compliance with all of the provisions of any Required Notice or any other information provided in connection with any request for an

advance under the Loan Facility (whether or not such information has been or is hereafter distributed to such Lender by the Agent or another Lender); or

- (b) to access or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of the Lands, the Credit Parties or any of their affiliates.

10.4 Indemnifications

Each Lender shall indemnify the Agent, to the extent not reimbursed by the Borrower, ratably with all other Lenders, each according to its respective Proportionate Share, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent (in its capacity as Agent, and not in its capacity as a Lender) in any way relating to or arising out of the Credit Agreement, the Security, the transactions contemplated thereby or any enforcement proceedings or action taken or omitted by the Agent under the Credit Agreement, the Security or the transactions contemplated thereby; provided that no Lender shall be liable to the Agent for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Agent.

10.5 Successor Agent

The Agent may resign at any time by giving fifteen (15) days' written notice thereof to the Lenders and the Borrower and may be removed at any time with cause by the Majority of the Lenders. Upon any such resignation or removal of the Agent, the Majority of the Lenders, after consultation with the Borrower, shall have the right to appoint a successor Agent, which shall be a Lender. Such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges, duties and obligations of the retiring Agent, and the retiring Agent shall be discharged from any further duties and obligations under the Credit Agreement and this Agreement. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of this section shall enure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under the Credit Agreement and this Agreement.

10.6 Assignment of Security by Agent

Upon the resignation or removal of the Agent, the Agent shall assign and transfer to the successor Agent all of its right, title and interest, as Agent, in and to the Security. The successor Agent shall ensure that all required notices, registrations and filings in connection with such assignment are given or made, as the case may be, and the Borrower shall reimburse the successor Agent for and in respect of all its reasonable costs and expenses in connection therewith.

10.7 Administration of Loan Facility

- (a) The Agent, on behalf of the Lenders, shall have the sole right and responsibility to process and administer or continue to process and administer the Loan Facility, subject to the limitations imposed in this section 10.7. Without limiting

the generality of the foregoing, the Agent shall have the sole right and responsibility to:

- (i) attend to the completion, execution and delivery of the Security;
- (ii) effect and maintain such registrations of the Security as the Agent deems necessary or prudent;
- (iii) hold all of the Security for itself and as agent for the Lenders;
- (iv) use reasonable commercial efforts to collect all monies payable by or on behalf of the Borrower with respect to the Loan Facility;
- (v) subject to section 11 of this Agreement, appoint a receiver or receiver-manager;
- (vi) subject to section 11 of this Agreement, demand, enforce and realize on the Security;
- (vii) promptly notify the Lenders of the occurrence of any default of which the Agent has actual knowledge or actual notice;
- (viii) maintain proper records and accounts showing all receipts and disbursements in respect of the Loan Facility, provide copies of such records and accounts to the Lenders when reasonably requested and allow the Lenders and their auditors or agents the right to review such records and accounts from time to time during business hours and upon providing reasonable notice to the Agent;
- (ix) provide discharges of the Security as contemplated by the Credit Agreement;
- (x) execute and/or grant priority to, as required, statutory rights of way, easements, covenants, subdivision plans, condominium plans, site plans and other similar agreements required in connection with the development of the Lands so long as it is not prejudicial in any material respect to the Lenders;
- (xi) annually satisfy itself that all insurance as provided to the Agent under the Credit Agreement has been renewed prior to its expiry date and that all realty taxes with respect to the Lands have been paid; and
- (xii) perform any other obligations imposed on the Agent pursuant to the Security.

(b) Notwithstanding the foregoing, the Agent will:

- (i) act in accordance with the instructions of the Majority of the Lenders, or all of the Lenders, as applicable under this Agreement; and

- (ii) call a meeting of all of the Lenders if requested in writing to do so by any Lender.
- (c) The Agent may consult with the Lenders where it deems necessary before exercising the rights of the Agent under this section 10.7.
- (d) The Agent shall promptly deliver to all of the Lenders copies of the Security, insurance, evidence of payment of property taxes, all financial information, notices, requests for consents or waivers and similar material provided by the Borrower to the Agent pursuant to the Credit Agreement. The Agent will provide to all of the Lenders any notice and information received by it from the Borrower that requires approval by the Majority of the Lenders or all of the Lenders in accordance with the provisions of this Agreement.
- (e) In processing and administering the Loan Facility, the Agent shall exercise the same degree of skill and care as a prudent lender would exercise in respect of similar loans, and:
 - (i) may act through its employees and agents;
 - (ii) may engage, pay for and rely upon the opinions of legal counsel and other professional advisors;
 - (iii) may rely on the truth and accuracy of statements, information or opinions provided by the Borrower, the Nominee, the Guarantor, or their solicitors;
 - (iv) shall not be required to take any action where such action exposes the Agent to liability or where such action is contrary to law;
 - (v) shall not be required to make any use of its own funds beyond those required under this Agreement; and
 - (vi) shall not be liable to the Lenders for any losses suffered by such Lenders provided it exercises the standard of care set out above.

10.8 Consent of Lenders: Decision Making by Majority of the Lenders

- (a) Except as provided in section 10.9 below, where the terms of the Credit Agreement, this Agreement, any of the Security or any other agreement entered into by the Lenders with respect to the Loan Facility or the transactions contemplated hereby, refer to any matter that requires the consent, approval, satisfaction, agreement or other determination by the Lenders, the consent, approval, satisfaction, agreement or other determination given or made by the Majority of the Lenders shall constitute the consent, approval, satisfaction, agreement or other determination of all the Lenders herein or therein referred to.
- (b) In respect of any dealings by the Agent with the Credit Parties, any consent, approval or other act made, granted or done by the Agent, shall be made by the Agent in its capacity as agent for and on behalf of the Lenders and the Agent shall seek such consents or approvals as it may require from the Lenders in accordance with the terms hereof. Prior to granting any consent, approval or

doing such other act required hereunder, the Agent will contact all of the Lenders in accordance with subsection 10.7(d) and shall act on the approval of the Majority of the Lenders or, if so required by section 10.9, all of the Lenders, as applicable.

- (c) Except as provided in section 10.9, any amendment to this Agreement, the Credit Agreement, the Security or any other agreement entered into by the Lenders with respect to the Loan Facility or the transactions contemplated hereby, or any waiver to be given by the Lenders under any of the foregoing, requires the consent of the Majority of the Lenders.

10.9 Waivers and Amendments that Require Unanimous Agreement of the Lenders

Each of the following actions shall require the prior unanimous agreement of the Lenders:

- (a) any action which by the specific terms of the Credit Agreement, this Agreement or the Security expressly states that the unanimous agreement of the Lenders is required, or;
- (b) any amendment, extension or waiver of or under the Credit Agreement, this Agreement, the Security or any other agreement entered into by the Lenders with respect to the Loan Facility which:
 - (i) increases the amount of the Loan Facility;
 - (ii) amends the dates of payment of principal or interest of the Loan Facility;
 - (iii) decreases the interest rate;
 - (iv) decreases the amount or extends the dates of payment of any Commitment Fee or similar fees;
 - (v) amends the committed nature of the Loan Facility, the Maturity Date for repayment of the Loan Facility;
 - (vi) amends, modifies, terminates or discharges any Borrower, Nominee or any Guarantor or any of the Security;
 - (vii) amends the definition of "**Majority of the Lenders**", "**Outside Funding Date**", "**Permitted Encumbrances**" or "**Proportionate Share**";
 - (viii) amends any provision relating to the insurance required to be maintained by the Borrower;
 - (ix) amends any provision which limits or restricts the right of a Borrower to sell, assign or grant a subsequent mortgage or other charge of the Lands or which limits any corporate reorganization of a Borrower;
 - (x) amends section 5.1 (Conditions Precedent to Advance of the Loan Facility) of Schedule A to the Credit Agreement.

- (xi) amends section 10.9 of this Agreement; or
- (xii) amends any section of the Credit Agreement requiring the unanimous agreement of the Lenders.

10.10 Consent of Agent

An amendment or waiver which changes or relates to the rights or obligations of the Agent shall require the agreement of the Agent thereto.

10.11 Waivers in Writing

Any waiver and any consent by the Agent or any Lender or the Majority of the Lenders or all of the Lenders under any provision of this Agreement must be in writing and may be given subject to any conditions thought fit by the person giving that waiver or consent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

10.12 Share of Losses and Costs

Each Lender shall, within three (3) Business Days of receipt of a request from the Agent for the same, forward to the Agent its Proportionate Share of:

- (a) losses, costs or expenses incurred by the Agent (in its capacity as Agent, and not in its capacity as a Lender), and not reimbursed by the Borrower, in processing the Loan Facility (including all legal and appraisal fees and related disbursements) or in recovering or attempting to recover from the Borrower, the Nominee or the Guarantor all or any part of the Loan Indebtedness; and
- (b) any other amount payable pursuant to the Security or in attempting to preserve, protect, insure, improve, repair or sell or otherwise realize on any of the Security held with respect to the Loan Facility, for which the Agent (in its capacity as Agent, and not in its capacity as a Lender) has not been reimbursed by the Borrower or otherwise received payment,

provided that no Lender shall be responsible to pay any of the foregoing caused by the gross negligence or wilful misconduct of the Agent. None of the Lenders is responsible for paying to the Agent the Agent's Fees, it being understood however that such fee shall be paid in accordance with section 12.1 of this Agreement to the extent unpaid by the Borrower.

10.13 No Liability

The Agent shall have no responsibility or liability to the Borrower on account of the failure of any Lender to perform its obligations hereunder, or to any Lender on account of the failure of the Borrower or any Lender to perform its obligations hereunder.

10.14 Reliance Upon Agent

The Borrower shall be entitled to rely upon any certificate, notice or other document or other advice, statement or instruction provided to it by the Agent pursuant to the Credit

Agreement or this Agreement, and the Borrower shall generally be entitled to deal with the Agent with respect to matters under the Credit Agreement or this Agreement which the Agent is authorized to deal with without any obligation whatsoever to satisfy itself as to the authority of the Agent to act on behalf of the Lenders, and without any liability whatsoever to the Lenders for relying upon any certificate, notice or other document (including any facsimile transmission) or other advice, statement or instruction provided to it by the Agent, notwithstanding any lack of authority of the Agent to provide the same.

11. ACTION, DEMAND AND REALIZATION

11.1 No Action without Majority Lender Approval

Neither the Agent nor any of the Lenders shall take any Action without giving notice thereof to all of the Lenders in accordance with section 11.2 below and obtaining Majority Lender Approval to such Action. Such Majority Lender Approval shall govern and bind all of the Lenders.

11.2 Action Notice

If any Lender desires that the Lenders take any Action, that Lender (the "**Requesting Lender**") shall give written notice (the "**Action Notice**") to the Agent specifying the Action and requesting the concurrence of the other Lenders (the "**Receiving Lenders**") in that Action. The Agent shall within two (2) Business Days of receipt of such Action Notice provide a copy thereof to the Receiving Lenders. Upon receipt by the Receiving Lenders of the Action Notice, the Receiving Lenders, shall each forthwith consider and discuss the request of the Requesting Lender in the Action Notice and advise the Agent of their decision within five (5) Business Days of receipt by them of the Action Notice. If Majority Lender Approval for the taking of the Action referred to in the Action Notice or some other form of Action has been obtained, then the Agent shall proceed with such Action immediately upon receipt of written notification from the Lenders who have provided Majority Lender Approval.

11.3 Option to Buy Interest of Requesting Lender

Upon receipt of the Action Notice, any one or more of the Receiving Lenders (each a "**Paying Lender**") shall have the option, exercisable either before or after the decision by the Majority of the Lenders has been made pursuant to section 11.2, by delivery of written notice (the "**Purchase Notice**") to the Agent, the Requesting Lender and the other Lenders, to pay to the Requesting Lender its Indebtedness (or if more than one Paying Lender delivers a Purchase Notice, then the Paying Lender's Proportionate Share of the Requesting Lender's Indebtedness, as determined by the Agent). Upon receipt of payment of its Indebtedness the Requesting Lender shall then assign to the Paying Lender(s) the entire interest of the Requesting Lender in its Indebtedness and the Security and the Paying Lender(s) shall assume their respective Proportionate Share of the Requesting Lender's Portion.

11.4 Realization

When all applicable notice periods in respect of any demand made to the Borrower have expired or at any other time as the Majority of the Lenders may determine in writing, the Agent shall commence all enforcement proceedings necessary in the circumstances. If

the Lenders cannot agree as to whom to appoint as receiver or receiver-manager or on any other matter pertaining to the enforcement of the Security, the decision of the Majority of the Lenders shall govern.

11.5 Taking and Enforcement of Remedies

- (a) Each of the Lenders hereby acknowledges that, to the extent permitted by applicable law, the remedies provided under the Security to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder are to be exercised not severally, but collectively by the Agent upon the decision of the Majority of the Lenders. Each of the Lenders hereby covenants and agrees that it shall not be entitled to take any Action with respect to the Loan Facility or Security, including, without limitation, any demand for payment or declaration of default or acceleration of payment under this Agreement but that any such Action shall be taken only by the Agent with the prior written agreement of the Majority of the Lenders provided that notwithstanding the foregoing, in the absence of instructions from the Lenders and where in the sole opinion of the Agent acting reasonably the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or desirable in the interests of the Lenders. Upon any such written consent being given by the Majority of the Lenders, each Lender shall cooperate fully with the Agent to the extent requested by the Agent in the collective realization including, without limitation, the appointment of a receiver and manager to act for their collective benefit. Each Lender shall do all acts and things to make, execute and deliver all agreements and other instruments, including, without limitation, any instruments necessary to effect any registrations, so as to fully carry out the intent and purpose of this section 11.5.
- (b) Each of the Lenders shall not seek, take, accept or receive any security for any of the obligations and liabilities of the Borrower hereunder or under any other document, instrument, writing or agreement ancillary hereto other than such security as is provided hereunder or thereunder and shall not enter into any agreement with any of the parties hereto or thereto relating in any manner whatsoever to the Loan Facility, unless all of the Lenders shall at the same time obtain the benefit of any such security or agreement.

12. PROCEEDS OF REALIZATION AND INSURANCE PROCEEDS

12.1 Payment

In the event of the realization of the Security, all Proceeds of Realization after payment of all charges which rank in priority to the Security shall be applied and paid by the Agent as follows:

- (a) first, in payment of all receiver or receiver-manager's costs and all costs and charges incurred in the enforcement of the Security;
- (b) second, to the Agent, in payment of the amounts described in section 10.12, to the extent unpaid;

- (c) third, to the Agent, to be distributed by it to the Lenders on a pro rata basis based on each Lender's Ratio of Indebtedness until the Lenders have no potential exposure or liability with respect thereto; and
- (d) fourth, any balance remaining after full payment of the Loan Indebtedness, to the Borrower or as otherwise provided in the Security or as directed by an order of the court having jurisdiction pursuant to applicable law.

12.2 Allocation

All Insurance Proceeds not applied to repair or replace the Lands, shall be applied and paid by the Agent to the Lenders on a pro rata and *pari passu* basis in accordance with Section 12.1(c).

13. EXPENDITURES

If it becomes necessary for the Agent to expend monies in respect of the enforcement of the Security, the Lenders shall share the cost of that expenditure pro rata on the basis of their respective entitlements to the Proceeds of Realization as at the date of that expenditure.

14. ADDITIONAL SECURITY

- (a) Each of the Lenders represents to the other Lenders that as of the date hereof it does not hold any security, other than the Security, for the Loan Facility.
- (b) If any of the Lenders takes security in addition to the Security as security for payment of advances to the Borrower under the Loan Facility, that additional security shall be held for the benefit of all of the Lenders in accordance with the terms of this Agreement and the reference in this Agreement to the Security shall unless otherwise agreed to in writing by the Majority of the Lenders, be deemed to include that additional security.

15. BENEFIT OF THE AGREEMENT

This Agreement shall enure to the benefit of and be binding upon the parties hereto, any party which subsequently became a Lender, and their respective successors and assigns permitted hereby.

16. ASSIGNMENT AND PARTICIPATION BY LENDERS

Section 13 of Schedule A to the Credit Agreement shall apply to this Agreement, *mutatis mutandis*.

17. ADDITIONAL ACTS

The Agent and each of the Lenders shall do, execute, and concur in all acts, things, and instruments requisite or necessary to recover and to realize the Loan Indebtedness when entitled or obligated to do so under this Agreement or the Security.

18. MINIMIZE LOSSES

The Agent and each of the Lenders shall do all things and acts reasonably necessary to minimize and if possible to prevent loss to the Agent, the Lenders, or any of them.

19. GENERAL

19.1 Authorized Representatives

To facilitate exchanging information and discussion between the Lenders, each of the Lenders has appointed as its Authorized Representative, the officer first listed below the name of the Lender in section 19.2.

Each Lender may change its Authorized Representative by written notice to the Agent and other Lenders.

19.2 Notices

- (a) All notices and other communications (each referred to as the "**Notice**") permitted or required to be given to any of the parties hereto will be in writing and delivered in accordance with section 24 of Schedule A to the Credit Agreement, as applicable.

19.3 Non-Waiver

No condoning, excusing, or waiver by the Agent or a Lender of any default, breach, or non-observance by a Lender or any other Lenders at any time or times in respect of any covenant, proviso, or condition herein contained shall operate as a waiver of the Agent's or that Lender's rights hereunder in respect of any continuing or subsequent default, breach, or non-observance or so as to defeat or affect in any way the rights of the Agent or that Lender in respect of any continuing or subsequent default, breach, or non-observance and no waiver shall be inferred from or implied by anything done or omitted to be done by the Agent or the Lender having those rights.

19.4 Further Assurances

The Agent and each of the Lenders agrees to execute any further and other documents and instruments and to do any further and other things that may be necessary to implement and carry out the intent of this Agreement.

19.5 Entire Agreement

The provisions contained in this Agreement constitute the entire agreement between the Agent and the Lenders and supersede all previous communications, representations, and agreements whether verbal or written between the parties with respect to the subject matter hereof, except for such terms as may be referred to directly in the Credit Agreement. In the event of a conflict between the terms of the Credit Agreement and this Agreement, the terms of this Agreement shall prevail insofar as such terms affect the rights and obligations of the Agent and the Lenders to each other.

19.6 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. A facsimile, PDF or similar electronic form of any party's signature hereto shall be effective as an original form of such signature.

IN WITNESS WHEREOF the Agent and the Lenders hereto have executed this Agreement as of the day and year first above written.

THE LENDERS:

ROYAL BANK OF CANADA, as Lender

Per:

e-Signed by William Wang
on 2024-06-07 22:24:27 GMT

William Wang
Director
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-06-07 22:31:16 GMT

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per:

Name: Matthew Shaver
Title: Authorized Signatory

Name:
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name:
Title: Authorized Signatory

Name:
Title: Authorized Signatory

IN WITNESS WHEREOF the Agent and the Lenders hereto have executed this Agreement as of the day and year first above written.

THE LENDERS:

ROYAL BANK OF CANADA, as Lender

Per:

William Wang
Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per: E-SIGNED by MATTHEW SHAVER
on 2024-06-10 19:28:52 GMT

E-SIGNED by Kate Low
on 2024-06-10 19:39:33 GMT

Name: Matthew Shaver
Title: Authorized Signatory

Name:
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name:
Title: Authorized Signatory

Name:
Title: Authorized Signatory

IN WITNESS WHEREOF the Agent and the Lenders hereto have executed this Agreement as of the day and year first above written.

THE LENDERS:

ROYAL BANK OF CANADA, as Lender

Per:

William Wang
Director
Commercial Real Estate

Jeff Parkes
Vice President
Commercial Real Estate

BANK OF MONTREAL, as Lender

Per:

Name: Matthew Shaver
Title: Authorized Signatory

Name:
Title: Authorized Signatory

MERIDIAN CREDIT UNION LIMITED, as Lender

Per:

Name: Rob Stansfield
Title: VP, Corporate & Structured Finance

Name: Yanzhi Chen
Title: Director, Loan Syndications

THE AGENTS:

**ROYAL BANK OF CANADA, as
Administrative Agent**

Per:

e-Signed by Annie Lee
on 2024-06-08 14:55:53 GMT

Annie Lee
Associate Director
Agency Services Group

**ROYAL BANK OF CANADA, as
Syndication Agent and Lead Arranger**

Per:

e-Signed by Alfred Li
on 2024-06-07 22:23:57 GMT

Alfred Li
Head of Portfolio Management
Commercial Real Estate

e-Signed by Jeff Parkes
on 2024-06-07 22:31:19 GMT

Jeff Parkes
Vice President
Commercial Real Estate

SCHEDULE A
LENDERS' PORTIONS

Lender	Loan Facility Commitment	Total Lender's Commitment
Royal Bank of Canada	\$50,000,000	\$50,000,000
Bank of Montreal	\$25,000,000	\$25,000,000
Meridian Credit Union Limited	\$15,000,000	\$15,000,000
Total Lenders' Commitments	\$90,000,000	\$90,000,000

SCHEDULE B

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption (the "**Assignment and Assumption**") is dated as of the Effective Date set forth below and is entered into by and between ● (the "**Assignor**") and ● (the "**Assignee**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Interlender Agreement identified below (as amended, the "**Interlender Agreement**"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Interlender Agreement, as of the Effective Date inserted by the Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Interlender Agreement, the Credit Agreement, the Security and any other documents or instruments delivered pursuant thereto (collectively the "**Loan Documents**") to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any person, whether known or unknown, arising under or in connection with the Credit Agreement and the Interlender Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to subsection (i) above (the rights and obligations sold and assigned pursuant to subsection (i) and (ii) above being referred to herein collectively as, the "**Assigned Interest**"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
3. Borrower(s): _____
4. Agent: _____, as the administrative agent under the Credit Agreement and the Interlender Agreement

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5. Interlender Agreement: [The Interlender Agreement dated as of _____ among [name of Borrower(s)], the Lenders parties thereto, [name of Agent], as Administrative Agent, and the other agents parties thereto]
6. Assigned Interest:

Aggregate Amount of Lenders' Portions/Outstanding Indebtedness for all Lenders	Dollar Amount of Assignor Lender's Portion/Outstanding Indebtedness Assigned	Percentage Assigned of Assignor Lender's Portion/Outstanding Indebtedness Assigned

Effective Date: _____, 20____ *[To be inserted by agent and which shall be the effective date of recordation of transfer in the records of the agent.]*

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:

[NAME OF AGENT], as Agent

By: _____
Title:

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[If applicable: Consented to:]

[NAME OF BORROWER]

By: _____
Title:

ANNEX 1 to Assignment and Assumption

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties

- 1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Interlender Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its subsidiaries or affiliates or any other person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its subsidiaries or affiliates or any other person of any of their respective obligations under any Loan Document.
- 1.2 The Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Interlender Agreement, (ii) it meets all requirements of an eligible assignee under the Interlender Agreement (subject to receipt of such consents as may be required under the Interlender Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Interlender Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall be the obligations of a Lender thereunder, (iv) it has received a copy of the Interlender Agreement, together with copies of the most recent financial statements delivered pursuant to the Credit Agreement, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Agent or any other Lender, and (v) if it is a foreign lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Interlender Agreement, duly completed and executed by the Assignee, and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.
- 1.3 Payments. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments

in payments by the Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

- 1.4 General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law governing the Interlender Agreement.

This is **Exhibit "C"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**



Land Title Act
Mortgage
Part 1 Province of British Columbia

NEW WESTMINSTER LAND TITLE OFFICE
MAY 11 2023 13:09:21.001
CB612313-CB612314

1. Application

Document Fees: \$156.34

GOWLING WLG (CANADA) LLP
Barristers & Solicitors, P.O. Box 30
Suite 2300 - 550 Burrard Street
Vancouver BC V6C 2B5
Phone No. (604) 683-6498

Matter No. V55753 / MEM

2. Description of Land

PID/Plan Number Legal Description

031-725-953 LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3. Borrower(s) (Mortgagor(s))

1075 NELSON DEVELOPMENT HOLDINGS INC.
1425 RENE-LEVESQUE BOULEVARD WEST, SUITE 503
MONTREAL QC H3G 1T7

BC0979494

4. Lender(s) (Mortgagee(s))

HSBC BANK CANADA
A Canadian Chartered Bank Having a Branch Office and
Postal Address at
600 - 385 WEST GEORGIA STREET
VANCOUVER BC V6C 3G1

5. Payment Provisions

Principal Amount	Interest Rate	Interest Adjustment Date
\$90,000,000.00	Prime Rate plus 5.00% per annum	N/A
Interest Calculation Period	Payment Dates	First Payment Date
Monthly	Last day of each month	N/A
Amount of each periodic payment	Interest Act (Canada) Statement: The equivalent rate of interest calculated half yearly not in advance is	Last Payment Date
Interest Only	N/A % per annum	N/A
Assignment of Rents which the applicant wants registered?	Place of payment	Balance Due Date
Yes	Postal Address in Item 4	On Demand
If yes, page and paragraph numbers: Page 29, Article 13		

6. Mortgage contains floating charge on land?

No

7. Mortgage secures a current or running account?

Yes



Land Title Act
Mortgage
Part 1 Province of British Columbia

8. Interest Mortgaged

Fee Simple

9. Mortgage Terms

Part 2 of this mortgage consists of:

(c) Express Mortgage Terms (annexed to this mortgage as Part 2)

10. Additional or Modified Terms

11. Prior Encumbrances Permitted by Lender

N/A

12. Execution(s)

This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Witnessing Officer Signature

Execution Date

Borrower / Party Signature(s)

Helen Bougas
Notary B1803
503 - 1425 Boulevard Rene Levesque
Montreal QC H3G 1T7

YY-MM-DD

2023-04-11

**1075 NELSON DEVELOPMENT
HOLDINGS INC.**

By their Authorized Signatory

Kheng Ly

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, R.S.B.C. 1996, c. 250, that you certify this document under section 168.4(14) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**Charlene Rita
Joanes 89V183**

Digitally signed by
**Charlene Rita Joanes
89V183**
Date: 2023-05-11
12:40:02 -07:00

LAND TITLE ACT

MORTGAGE TERMS – PART 2

EXPRESS MORTGAGE TERMS

ARTICLE 1
DEFINITIONS AND INTERPRETATION1.1 Definitions

In this Mortgage the following terms have the respective meanings set forth after each:

- (1) **"Buildings"** means all buildings, erections and improvements whatsoever which now or which may hereafter be constructed, erected or placed upon the Lands;
- (2) **"Business Day"** means any day other than Saturday, Sunday and any other day which is a legal holiday in Vancouver, British Columbia or Toronto, Ontario, or a day on which banking institutions in Vancouver, British Columbia or Toronto, Ontario are authorized by law or by local proclamation to close;
- (3) **"Credit Agreement"** means the credit agreement dated May 11, 2023, between the Mortgagee, the Facility Lenders, the Mortgagor, the Owner and Guarantor, as the same may from time to time be supplemented, amended, restated or replaced and in effect;
- (4) **"Event of Default"** has the meaning set forth in the Credit Agreement;
- (5) **"Facility Lenders"** means HSBC Bank Canada, Bank of Montreal and any financial institution or institutions from time to time that become a lender pursuant to the Credit Agreement and each of their respective successors and assigns;
- (6) **"Fixtures"** means all fixed apparatus, fixed equipment, fixed machinery and fixed plant whatsoever, including, without limitation, all air conditioning, cooling, electric, gas, heating, plumbing, refrigeration and ventilating equipment, all boilers, electric light fixtures, elevators, furnaces and pressure vessels, and all wall to wall carpets and other fixtures which now or which may hereafter be placed or installed upon the Lands or the Buildings;
- (7) **"Guarantor"** means each and every guarantor as defined in the Credit Agreement and its respective heirs, executors, administrators, successors and permitted assigns;
- (8) **"Hazardous Substance"** means any substance, defined or designated as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term, by any applicable federal, provincial, state or local statute, regulation or ordinance now or hereafter in effect, or any substance or material, the use or disposition of which is regulated by any such statute, regulation or ordinance;
- (9) **"Indebtedness"**, in respect of any Person, is used in its most comprehensive sense and includes any and all advances, debts, duties, endorsements, guarantees, liabilities;

obligations, responsibilities and undertakings of such Person heretofore, now or hereafter assumed, created, incurred or made, whether voluntary or involuntary and however arising, whether due or not due, absolute, inchoate or contingent, liquidated or unliquidated, determined or undetermined, direct or indirect, express or implied, whether such Person may be liable individually or jointly with others and whether recovery upon such indebtedness may be or hereafter becomes barred by reason of any statute of limitations or law of prescription or may be or hereafter becomes otherwise irrecoverable or unenforceable, and irrespective of the genuineness, validity or regularity thereof or of any security therefor or of the existence or extent of such security;

- (10) **"Interest Payment Date"** means the first day of each month;
- (11) **"Interest Rate"** means the rate of interest per annum which is equal to the Prime Rate plus five per cent (5.00%) per annum, or such other rate as may be payable pursuant to the Credit Agreement;
- (12) **"Lands"** or **"land"** means the lands and premises legally described in Item 2 of the Mortgage Form hereto and all benefits, easements, franchises, immunities, licenses, privileges, rights, rights of way and servitudes now or at any time appertaining thereto or connected therewith;
- (13) **"Leases"** has the meaning set forth in Section 13.1;
- (14) **"Loan Facility"** means the credit facilities provided or to be provided to the Mortgagor pursuant to the Credit Agreement;
- (15) **"Loan Indebtedness"** means any and all indebtedness from time to time of the Mortgagor and the Owner to the Mortgagee or any Facility Lender arising out of, in connection with or in any way relating to the Credit Agreement, the Loan Facility or any of the Security Documents;
- (16) **"Mortgage Form"** means the document prescribed by regulation under the Land Title Act (British Columbia) as Part 1 of Form B to which these express mortgage terms are attached, and includes all schedules or addenda to such document other than these express mortgage terms;
- (17) **"Mortgagee"** means HSBC Bank Canada, in its capacity as administrative and collateral agent for the Facility Lenders;
- (18) **"Mortgagee's Address"** means the address of the Mortgagee set out in Item 4 of the Mortgage Form;
- (19) **"Mortgagor"** means 1075 Nelson Development Holdings Inc.;
- (20) **"Mortgagor's Address"** means the address of the Mortgagor set out in Item 3 of the Mortgage Form;
- (21) **"Obligor"** means the Owner and the Guarantor and any other Person who is liable to pay the Loan Indebtedness, interest or any other amount payable hereunder or secured or intended to be secured hereby;

- (22) "**Owner**" means 1075 Nelson Development Limited Partnership, by its general partner 1075 Nelson Development GP Inc.;
- (23) "**Permitted Encumbrances**" has the meaning set forth in the Credit Agreement;
- (24) "**Person**" means any association, corporation, individual, joint-stock company, joint venture, partnership, trust, unincorporated organization or government or any agency, instrumentality or political subdivision thereof;
- (25) "**Prime Rate**" has the meaning set forth in the Credit Agreement;
- (26) "**Principal Sum**" means **Ninety Million (\$90,000,000.00) Dollars** in lawful money of Canada;
- (27) "**Property**" means:
 - (a) the Lands;
 - (b) the Buildings; and
 - (c) the Fixtures;
- (28) "**Rents**" has the meaning set forth in Section 13.1;
- (29) "**Security Documents**" means this Mortgage and any other agreement, instrument, security or other obligation which the Mortgagee or any Facility Lender may require or consider necessary heretofore, now or hereafter created and issued, granted or made by the Mortgagor, the Owner or any other Person in favour of the Mortgagee or the Facility Lenders in connection with the Lands, the Credit Agreement or the Loan Facility as the same may from time to time be supplemented or amended and in effect;

1.2 Interpretation

The following rules shall be applied in interpreting this Mortgage and all Schedules hereto:

- (1) "**this Mortgage**" means the combination of the Mortgage Form and these express mortgage terms as they may from time to time be supplemented, amended or modified and in effect; and the words "hereby", "herein", "hereto", "hereof" and "hereunder" and other words of similar import refer to this Mortgage as a whole and not to any particular Article, Section, subsection, clause, subclause, paragraph, subparagraph or other subdivision;
- (2) any reference to "**interest**" means interest at the Interest Rate calculated and payable as herein provided;
- (3) the headings are for convenience only and do not form a part of this Mortgage and are not intended to interpret, define or limit the scope, extent or intent of this Mortgage or any provision hereof;
- (4) where the context so admits, all references in this Mortgage to the singular shall be construed to include the plural, the masculine to include the feminine and neuter gender and, where necessary, a body corporate, and vice versa;

- (5) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather such general statement, term or matter is to be construed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (6) any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto and, unless otherwise expressly provided herein, includes a reference to all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding such statute or such regulation;
- (7) any reference to an entity includes and is also a reference to any entity that is a successor to such entity, which includes any corporation resulting from the amalgamation of a corporation with any other corporation; and
- (8) except as otherwise expressly provided herein or unless the context otherwise requires, expressions defined in Section 29 of the Interpretation Act (British Columbia) in effect on the date hereof and used herein have the meanings assigned to those expressions therein.

1.3 Calculation of Interest

Interest payable by the Mortgagor pursuant to Section 3.1 will be calculated in accordance with the following provisions:

- (1) the Interest Rate will be adjusted automatically on the effective date of any change in the Prime Rate;
- (2) interest will be payable as well after as before demand, maturity, default and judgment;
- (3) interest will accrue daily and be compounded monthly, and any interest that remains unpaid after an Interest Payment Date will be added to the Principal Sum and together therewith will bear interest at the Interest Rate or as otherwise set out in the Credit Agreement; and
- (4) a certificate of a manager, account manager or other authorized signatory of the Mortgagee shall be conclusive evidence as to the Prime Rate in effect from time to time.

ARTICLE 2 GRANT OF MORTGAGE

2.1 Grant and Security

In consideration of the Principal Sum, the sum of One (\$1.00) Dollar now paid by the Mortgagee to the Mortgagor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Mortgagor, the Mortgagor grants and mortgages to the Mortgagee, its successors and assigns forever, all of its estate, right, title, interest and claim in

and to the Property, and secures by this Mortgage the Principal Sum, interest and all other Indebtedness of the Mortgagor and the Owner to the Mortgagee payable hereunder or which by the terms of such Indebtedness is to be secured hereby, upon the terms of this Mortgage; provided that until an Event of Default has occurred, the Mortgagor shall have quiet possession of the Property.

2.2 Security for Loan Indebtedness

This Mortgage is granted by the Mortgagor and delivered to the Mortgagee as continuing security for the payment and performance by the Mortgagor and the Owner of the Loan Indebtedness.

ARTICLE 3 PROVISO FOR RECONVEYANCE AND PAYMENT OF PRINCIPAL AND INTEREST

3.1 Proviso for Reconveyance

Provided this Mortgage to be void on payment to the Mortgagee of the Principal Sum with interest at the Interest Rate on the amount of the Principal Sum from time to time advanced, calculated as and from the respective dates of such advances, and all other amounts payable hereunder or secured or intended to be secured hereby, as follows:

- (1) interest at the Interest Rate on the amount of the Principal Sum from time to time advanced, calculated as and from the respective dates of such advances, will become due and be paid on the Interest Payment Date commencing on the first Interest Payment Date next following the date upon which the first advance on account of the Principal Sum is made until all amounts hereby secured are paid;
- (2) the Principal Sum, all accrued and unpaid interest and all other amounts payable hereunder or secured or intended to be secured hereby will become due and be paid **ON DEMAND** following the occurrence of an Event of Default;

and taxes and performance of statute labour and the observance and performance of all covenants, provisos and conditions contained in this Mortgage to the full satisfaction of the Mortgagee.

3.2 Payments

The Mortgagor covenants with the Mortgagee that

- (1) each payment to be made to the Mortgagee hereunder will be made to the Mortgagee at the Mortgagee's Address (or at such other place or to such other Person as may be specified by the Mortgagee by notice in writing to the Mortgagor), in immediately available funds, not later than 1:00 p.m. (Vancouver time) on the date due for payment of the same;
- (2) all payments to be made to the Mortgagee hereunder will be due and payable at the times herein provided whether or not the full amount of the Principal Sum has then been advanced;

- (3) the Mortgagee will have the right to allocate any and all payments made to the Mortgagee by the Mortgagor (whether on account of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby) in such manner, order and priority as the Mortgagee in its sole discretion may determine;
- (4) if any payment made to the Mortgagee hereunder is made after 1:00 p.m. (Vancouver time) on any day, such payment will be deemed to have been made on the immediately following Business Day for purposes of the calculation of interest and interest will accrue due to such following Business Day;
- (5) whenever any payment to be made hereunder is due on a day that is not a Business Day, such payment will be due on the immediately following Business Day and interest will accrue due to such following Business Day;
- (6) no interest will accrue for the benefit of or be payable to the Mortgagor on any payment made to, deposited with or advanced and withheld by the Mortgagee;
- (7) the Mortgagee may deduct from any advance interest accrued and not paid on the amount of the Principal Sum outstanding on the date of such advance and interest on the amount of the Principal Sum outstanding that would accrue from the date of such advance to the first Interest Payment Date immediately following the date such advance is made; and
- (8) the Mortgagor will deliver to the Mortgagee, immediately upon request from the Mortgagee, such documentation as is reasonably required by the Mortgagee to establish pre-authorized bank debits or post-dated cheques for such of the then next ensuing payments hereunder as may be required by the Mortgagee from time to time.

ARTICLE 4 LAND TRANSFER FORM ACT

4.1 Land Transfer Form Act

This Mortgage is made pursuant to Part 3 of the Land Transfer Form Act (British Columbia).

4.2 Land Transfer Form Act Covenants

The Mortgagor covenants with the Mortgagee: (i) that the Mortgagor will pay the mortgage money and interest, and observe the above proviso; (ii) that the Mortgagor has a good title in fee simple to the land; (iii) that the Mortgagor has the right to convey the land to the Mortgagee; (iv) that on default the Mortgagee shall have possession of the land free from all encumbrances, except Permitted Encumbrances; (v) and that the Mortgagor will execute further assurances of the land as may be requisite; (vi) and that the Mortgagor has done nothing to encumber the land, except for the Permitted Encumbrances; (vii) and that the Mortgagor releases to the Mortgagee all its claims on the land subject to the proviso.

4.3 Clause 15 Excluded

Clause 15 of Schedule 6 of the Land Transfer Form Act (British Columbia) is expressly excluded from this Mortgage.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE MORTGAGOR**

5.1 Representations and Warranties

The Mortgagor represents and warrants to the Mortgagee that:

- (1) the Mortgagor is a corporation incorporated and existing under the laws of the Province of British Columbia;
- (2) the Mortgagor has full power, capacity and authority to execute and deliver this Mortgage, to comply with the provisions hereof and to duly perform and observe all of its obligations hereunder;
- (3) this Mortgage constitutes a legal, valid and binding obligation of the Mortgagor enforceable against the Mortgagor in accordance with its terms and all necessary and appropriate corporate and other acts, conditions and things required to be done and performed and to have happened prior to the execution and delivery of this Mortgage in order to make all of the obligations expressed to be incurred by the Mortgagor legal, valid, binding and enforceable in accordance with the terms of this Mortgage have been done and performed in due and strict compliance with all applicable laws and regulations, any provision contained in any other loan or credit agreement or borrowing instrument or contract to which it is a party, and the corporate constating documents of the Mortgagor prior to the execution and delivery hereof;
- (4) the Mortgagor (a) is the registered owner of the Property, (b) has good title to the Property free from all charges, encumbrances and liens except Permitted Encumbrances, (c) has good right, full power and absolute authority to convey the Property to the Mortgagee, and (d) upon the occurrence of an Event of Default, the Mortgagee shall have possession of the Property free from all charges, encumbrances and liens except Permitted Encumbrances;
- (5) to the best of the Mortgagor's knowledge after due and diligent inquiry, no Hazardous Substances are being stored on the Property nor have any Hazardous Substances been released or disposed of, or otherwise exist or are being stored, in, on, under or around the Property; and
- (6) all appraisals, budgets, certificates, plans, reports, specifications and statements and other documents whatsoever heretofore or hereafter provided to the Mortgagee by the Mortgagor and all representations, warranties and statements heretofore or hereafter made to the Mortgagee by or on behalf of the Mortgagor are or will be at the time provided, or made, as the case may be, and will continue to be, true, correct and complete in all material respects.

**ARTICLE 6
COVENANTS OF THE MORTGAGOR**

6.1 General Covenants

The Mortgagor covenants and agrees with the Mortgagee:

- (1) to punctually pay the Principal Sum, interest and all other amounts payable hereunder or secured or intended to be secured hereby in accordance with the terms of this Mortgage;
- (2) to punctually pay and discharge, before the imposition of any fine, interest or penalty for the late payment thereof, all assessments, levies, rates and taxes and every other obligation incurred by, or imposed upon, the Mortgagor or the Property, or any part thereof, by virtue of any law, regulation, order, direction or requirement of any competent authority, or any agreement, contract, franchise, lease, permit or otherwise, the failure to pay or discharge of which could result in any lien or charge or any right of distress, forfeiture, sale or termination or any other remedy being enforced against the Mortgagor or the Property, or any part thereof, and to furnish to the Mortgagee when required evidence establishing such payments;
- (3) at the request of the Mortgagee, to pay to the Mortgagee on the first day of each and every month during the term of this Mortgage, such amount as the Mortgagee may from time to time estimate as being necessary to create and maintain a reserve fund from which to pay assessments, levies, rates and taxes and every other obligation incurred by, or imposed upon, or reasonably expected to be incurred by or imposed upon, the Mortgagor or the Property, or any part thereof, by virtue of any law, regulation, order, direction or requirement of any competent authority before the same become subject to any fine, interest or penalty for the late payment thereof; amounts in the reserve fund may at the option of the Mortgagee be used for any of the foregoing purposes or be paid to the Mortgagor or be applied on account of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby, whether or not then due, or be used, paid or applied partly in one way and partly in another, even though such use may benefit a subsequent owner or owners of the Property or any part thereof, and, in refunding any amount in the reserve fund at any time, the Mortgagee may deal with the party or parties at the time represented to the Mortgagee as being the owner or owners of the equity of redemption in the Property;
- (4) to do, observe and perform all of its obligations and all matters and things necessary or expedient to be done, observed or performed by virtue of any law, rule or regulation, for the purpose of creating, maintaining and keeping maintained this Mortgage as a valid and effective mortgage and charge upon the Property, subject only to Permitted Encumbrances;
- (5) to do, observe and perform all of its obligations under and pursuant to the Credit Agreement and the Security Documents;
- (6) not to permit or suffer the registration or creation of, or allow to exist, any lien or privilege of any taxing, assessing or other governmental authority, worker, contractor, subcontractor or supplier of material upon or in respect of any of the Property;
- (7) to defend the title of the Property for the benefit of the Mortgagee against the claims and demands of all Persons;
- (8) to maintain and keep the Property in good and proper order, repair and condition and not permit or suffer any acts of waste upon the Property;
- (9) immediately, upon obtaining knowledge of the institution of any proceedings for the expropriation of the Property or any part thereof, to notify the Mortgagee of such

proceedings and, if the Property or any part thereof is taken or damaged in or by any such expropriation proceedings or otherwise, the award or compensation payable to the Mortgagor will be paid, and is hereby assigned, transferred and set over, to the Mortgagee and any award or compensation received by the Mortgagee may at the option of the Mortgagee be paid to the Mortgagor or be applied on account of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby, whether or not then due, or be paid or applied partly in one way and partly in another;

- (10) to maintain its corporate existence and qualification to carry on business in all jurisdictions in which the nature of the assets owned or leased or the business carried on by the Mortgagor so requires and diligently maintain, use and operate or cause to be maintained, used and operated the Property and carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Property and the earnings, income, rents and profits thereof;
- (11) to keep, or cause to be kept, proper books of account and records and make or cause to be made therein true entries of all dealings and transactions in relation to the business and operations of the Mortgagor including separate entries relating to the Property; allow the Mortgagee to enter upon the premises of the Mortgagor during normal business hours to inspect the books and records of the Mortgagor and make extracts therefrom and allow the Mortgagee at any time during normal business hours to inspect the Property and at all reasonable times furnish or cause to be furnished to the Mortgagee or its duly authorized agent such information relating to its business or the Property as the Mortgagee reasonably requires;
- (12) if this Mortgage is or becomes subject or subordinate to one or more agreements for sale charges, liens, mortgages or other encumbrances (individually a "prior charge" and collectively the "prior charges"), to pay or cause to be paid as they become due all payments, whether for principal, interest, taxes or otherwise, under or by virtue of the prior charges and otherwise observe, perform and comply with the covenants, provisions and agreements therein contained;
- (13) to provide written notice to the Mortgagee immediately upon the Mortgagor becoming aware that the Property or any adjacent property is being or has been contaminated with any Hazardous Substance;
- (14) to promptly comply with all statutes, regulations and ordinances, and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, storage, treatment, control, removal or cleanup of any Hazardous Substances in, on, or under the Property or in, on, or under any adjacent property that becomes contaminated with Hazardous Substances as a result of the construction, operation or any other activity on, or the contamination of, the Property;
- (15) at the request of the Mortgagee, to grant to the Mortgagee, in form required by the Mortgagee and at the cost of the Mortgagor, as collateral security hereto (a) a mortgage or charge of all the Mortgagor's chattels and Fixtures now or hereafter situate on the Lands, (b) a further assignment of Rents from and Leases of the Lands and every guarantee or indemnity given to the Mortgagor for payment or performance thereof, and (c) an assignment of all other agreements, contracts, licenses, permits and rights affecting the Property;

- (16) to be liable for and indemnify and hold each of the Mortgagee and its officers, directors, employees and agents harmless against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, and expenses (including fees of the Mortgagee's counsel) of whatever kind or nature which may be imposed on, incurred by or asserted at any time against the Mortgagee or any of them in any way relating to or arising in connection with the Property, including any Hazardous Substances in, on, or under the Property. The indemnity contained in this subsection 6.1(16) will survive any action in foreclosure, any other extinguishing of the obligations of the Mortgagor or any other exercise of remedies by the Mortgagee against the Mortgagor;
- (17) to provide to the Mortgagee on request such financial and supporting data as the Mortgagor may reasonably require, reflecting all material information with respect to the status of the Mortgagor and operation of the Property; and
- (18) to execute such further assurances of the Property as the Mortgagee may from time to time require.

6.2 Covenants Regarding Insurance

The Mortgagor covenants with the Mortgagee:

- (1) to obtain and maintain insurance in accordance with the requirements of the Credit Agreement and to insure and keep insured the Property, including each and every Building and Fixture against loss or damage by fire with an extended coverage endorsement and against all other risks of direct physical loss (including, without limitation, builders' course of construction insurance and insurance against risk of loss from earthquake, explosion, hail, impact by aircraft or vehicles, leakage from fire protection equipment, lightning, riot, smoke, vandalism or malicious act and windstorm and other perils now or hereafter from time to time embraced by or defined in a course of construction and a standard fire insurance policy with extended coverage or additional perils supplement contract) with only such exclusions as the Mortgagee may approve;
- (2) to insure and keep itself insured against public liability as owner or occupier of the Property, in respect of the use thereof, and occasioned by construction thereon or the operation thereof in such amounts as required by the Credit Agreement and will reasonably protect the Mortgagee against such losses;
- (3) if any boiler or pressure vessel is operated on the Property or any part thereof, to insure and keep insured each and every Building or Fixture against loss or damage by explosion of such boiler or pressure vessel;
- (4) if any rent is derived from the Property or any business is conducted on the Property, to maintain or cause to be maintained rental loss or business interruption insurance (under which the term for such benefits will not be less than 12 months) to the extent of not less than 100% of such rental loss or business interruption;
- (5) that the insurance required by this Section 6.2 will be effected and maintained as required by the Credit Agreement and to such amounts as will reasonably protect the Mortgagor against such loss or damage and in any event to the same extent as may from time to time be usual and prudent with Persons carrying on a similar business or constructing

operating or owning similar properties; provided that the Mortgagor will at all times maintain an amount of insurance:

- (a) sufficient to meet the requirements of any co-insurance clause in any policy of insurance held by the Mortgagor so as to prevent the Mortgagor from being a co-insurer under the terms of such policy and to permit full recovery up to the amount insured in the event of loss; and
 - (b) at least equal to the full replacement costs for all of the Buildings and Fixtures;
- (6) that the insurance required by this Section 6.2 will be effected and maintained with such insurers as may be selected by the Mortgagor and approved by the Mortgagee;
 - (7) to pay punctually, or cause to be paid, all premiums payable for the insurance required by this Section 6.2 and promptly furnish to the Mortgagee evidence of every such payment on or before the due date thereof and deposit with the Mortgagee every policy of insurance and renewal certificate for such insurance or a certified copy thereof;
 - (8) to cause the proceeds of any insurance (other than public liability insurance) to be made payable and to be paid to the Mortgagee as its interest may appear; and all such insurance will contain a "mortgage clause" whereby the insurer agrees that the proceeds are payable to the Mortgagee as provided herein; that the policy remains in full force notwithstanding anything contained in or omitted from the application therefor; that it will not be invalidated or affected by any act or omission of any Person other than the Mortgagee and that it will not be cancelled or terminated and will not expire without thirty days' notice in writing to the Mortgagee;
 - (9) if requested by the Mortgagee, to assign to the Mortgagee each of the policies of insurance effected pursuant to this Section 6.2 and all claims thereunder;
 - (10) that if the Mortgagor does not keep each of the Buildings and Fixtures insured as aforesaid, then and in any such event the Mortgagee shall be entitled to insure any such Building or Fixture for such amount as the Mortgagee may consider expedient in the sole discretion of the Mortgagee; provided that the Mortgagee shall not be obliged to effect or maintain any such insurance or in the event of effecting or maintaining any such insurance to insure other than the interest of the Mortgagee in the Property or to see to the payment of the premiums on any policy and the Mortgagee will not be liable or responsible for any loss arising out of any defect in any policy or the failure of any insurer to pay for any loss thereunder;
 - (11) forthwith upon the occurrence of loss or damage to any of the Buildings or Fixtures by any peril insured against, at its own expense to furnish all necessary proofs of loss and to do all necessary acts to enable payment of the proceeds of any insurance to the Mortgagee;
 - (12) that all proceeds received by the Mortgagee by virtue of any policy or policies of insurance (whether effected under the covenants of this Mortgage or not) may be applied or paid by the Mortgagee in any one or more of the following ways as the Mortgagee in its sole discretion shall determine:

- (a) such proceeds may be held in a suspense account and applied in or towards the rebuilding or repairing of any Building or Fixture in respect of which such proceeds are received;
 - (b) such proceeds may be applied in or towards the payment of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby in such manner, order and priority as the Mortgagee in its sole discretion shall determine;
 - (c) such proceeds may be paid to the Mortgagor; or
 - (d) such proceeds may be applied or paid partly in one and partly in other or others of the said ways; and
- (13) to ensure that the Mortgagee may apply insurance proceeds in accordance with subsection 6.2(12) above, the Mortgagor waives all the Mortgagor's rights and benefits under the Insurance Act (British Columbia) and the Fire Prevention (Metropolis) Act, 1774.

6.3 Covenants Regarding Construction

If the Mortgagor constructs or causes to be constructed any Buildings or any improvements or renovations to any Buildings (the "Project") in, to or upon the Lands or any part thereof, the Mortgagor covenants with the Mortgagee:

- (1) prior to commencing construction of the Project, to submit to the Mortgagee for approval plans and specifications (the "Plans and Specifications") for the Project and the budget (the "Project Budget") for the Project;
- (2) subject to acts of God, strikes, lockouts or other labour or industrial disturbances, civil disturbances, arrests and restraints, interruptions by government or court orders, future orders of any regulatory body having proper jurisdiction, wars, riots, sabotage, blockades, embargoes, insurrections, lightning, earthquake, fires, storms, floods and explosions (hereinafter referred to as "Force Majeure"):
 - (a) to carry on construction of the Project continuously, diligently and with dispatch until completed;
 - (b) to devote its full efforts and energy to the development and construction of the Project, not to abandon or delay completion of the Project or, without the prior written consent of the Mortgagee, depart from the Plans and Specifications or the Project Budget;
- (3) to construct or cause the Project to be constructed in a good and workmanlike manner in accordance with the Plans and Specifications using first class quality materials and to comply with all restrictions, conditions, ordinances, codes, regulations and laws of governmental departments and agencies having direction over, or an interest in, the Project;
- (4) to promptly correct all defects in the construction or variation in the construction of the Project, including as reported to the Mortgagee by its consultants;

- (5) if any proceedings are commenced seeking to enjoin or otherwise prevent or declare invalid or unlawful the construction of the Project, to cause such proceedings to be vigorously contested in good faith and, in the event of an adverse ruling or decision, to prosecute all allowable appeals therefrom, including, resisting the entry or seeking the stay of any temporary or permanent injunction that may be entered, and to use its best efforts to bring about a favourable and speedy disposition of all such proceedings;
- (6) to provide the Mortgagee with such documents, agreements, contracts and other materials in connection with the construction or proposed construction of the Project as the Mortgagee may require;
- (7) to pay or cause to be paid as soon as the same are due all claims and demands of contractors, employees, labourers, materialmen and workers and all wages, salaries, holiday pay, workers compensation assessments or other charges of any nature or kind (hereinafter referred to as "**Construction Charges**"), the failure to pay of which could result in any lien or charge on the Property or any part thereof and to provide the Mortgagee with such books, payrolls or other records, receipts, certificates and declarations as the Mortgagee may deem necessary to satisfy itself that the Construction Charges have been paid as soon as the same are due;
- (8) to employ all amounts advanced hereunder in payment of the "**Project Costs**" provided for in the Project Budget approved by the Mortgagee in accordance with the Credit Agreement;
- (9) to pay from sources other than amounts advanced hereunder such portion of Project Costs as may be necessary so that the unadvanced portion of the Principal Sum from time to time will, in the opinion of the Mortgagee, at all times be sufficient to pay all Project Costs necessary to complete construction and sale of the Project;
- (10) that the authority herein conferred upon the Mortgagee and any action taken by the Mortgagee in exercise of such authority in making inspections of the Project, procuring sworn statements, approving permits, contracts, subcontracts, the Plans and Specifications and the Project Budget is taken by the Mortgagee for its own protection only and the Mortgagee will not have any responsibility to the Mortgagor or any other Person nor will the Mortgagee waive nor be deemed to have waived any obligations of the Mortgagor by any such approval or otherwise;
- (11) upon the occurrence and during the continuance of any Event of Default, in addition to any other remedies which the Mortgagee may have hereunder or at law or in equity or by statute, the Mortgagee personally, or by its agents, attorneys, contractors or servants, may enter into and upon the Lands, and may exclude the Mortgagor, its agents and servants wholly therefrom, and may cause to be performed any and all work and labour necessary to complete the Project and in the course of such completion may make such changes in the contemplated Project (including such changes in the Plans and Specifications and the Project Budget) as the Mortgagee may deem desirable and all sums expended by the Mortgagee for such purpose shall be deemed to have been advanced to the Mortgagor hereunder and secured hereby;

(12) and represents and warrants to the Mortgagee that:

- (a) all utility services necessary for the construction of the Project and the operation and use thereof for its intended purpose, including, but not limited to, water supply, storm and sanitary sewer facilities, gas, electric and telephone facilities, are available to the boundaries of the Lands;
- (b) the Lands are contiguous to publicly dedicated streets or roads or highways and vehicular and pedestrian access thereto is permitted or, if not, is the dominant tenement of an easement or easements creating the perpetual right of such access to any such publicly dedicated streets or roads or highways; and
- (c) the Mortgagor has and will have, until the release hereof, the power, authority and legal right to construct the Project on the Lands.

**ARTICLE 7
PERFORMANCE OF MORTGAGOR'S COVENANTS
BY MORTGAGEE AND REIMBURSEMENT OF MORTGAGEE'S COSTS**

7.1 Payment of Costs

The Mortgagor will promptly pay all costs, charges and expenses, including legal costs of the Mortgagee and costs which may be incurred by and the reasonable remuneration payable to the Receiver Manager (as hereinafter defined), of and incidental to the preparation, execution, delivery, registration, filing and discharge of this Mortgage, of and incidental to taking, recovering, keeping, possessing or inspecting the Property and of and incidental to any proceedings taken to enforce the remedies under this Mortgage or otherwise in relation to the security created hereby or by reason of non-payment or procuring payment of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby, and the Mortgagor consents to all such legal costs being charged and fixed on a solicitor to his own client, lump sum basis in accordance with the provisions of the Legal Professions Act (British Columbia) and if any other professional persons or firms are retained or employed the Mortgagor consents to the fees of such persons or firms being paid on the basis of their normal professional charges.

7.2 Performance by Mortgagee

If the Mortgagor fails to perform any obligation in this Mortgage, the Mortgagee may, but shall not be obliged to, perform any or all of such obligations.

7.3 Reimbursement of Mortgagee's Costs

All costs, charges and expenses referred to in Section 7.1 and all costs, charges, expenses, fees, outlays and premiums incurred by the Mortgagee in connection with the performance by the Mortgagee pursuant to Section 7.2 of the obligations of the Mortgagor:

- (1) shall be a charge on the Property in favour of the Mortgagee prior to all claims subsequent to this Mortgage;
- (2) shall be payable by the Mortgagor to the Mortgagee forthwith without demand with interest at the Interest Rate from the date incurred; and

- (3) shall, with interest at the Interest Rate, be added to the Principal Sum as if such amount or amounts had originally formed part thereof.

ARTICLE 8 ACCELERATION

8.1 Acceleration

The Principal Sum, interest and all other amounts payable hereunder or secured or intended to be secured hereby shall become immediately due and payable at the option of the Mortgagee, upon the occurrence of an Event of Default.

ARTICLE 9 ENFORCEMENT

9.1 Enforcement

At any time after the occurrence of an Event of Default, the Mortgagee at its option may proceed to realize upon all or any part of the security constituted hereby or all or any part of any security collateral hereto and to enforce any right of the Mortgagee by entry pursuant to Section 9.2, or by the appointment of a Receiver Manager pursuant to Section 9.5, or by sale or lease pursuant to Section 9.3, or by proceedings in any court for the appointment of a Receiver Manager or for the sale of the Property or any part thereof or for foreclosure, or by any other action, suit, remedy or proceeding authorized or permitted by this Mortgage or at law or in equity or by statute; and may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claim of the Mortgagee lodged in any bankruptcy, winding up or other judicial proceeding relative to the Mortgagor.

9.2 Entry

At any time after the occurrence of an Event of Default, the Mortgagee shall have the right by its officers, agents or attorneys or otherwise, without any further consent or concurrence of the Mortgagor, to enter into and upon and to take possession of all or any part of the Property with power to exclude the Mortgagor and to possess and use the Property subject to the charge created by this Mortgage, with full power to carry on the business of the Mortgagor with respect to the Property and manage the Property, to maintain, operate, renew, repair, replace and restore the Property, and to receive the earnings, income, issues, profits, rents and revenues of the Property, and to pay therefrom all expenses of maintaining, managing, operating, renewing, repairing, replacing and restoring the Property, all charges against the Property ranking in priority to this Mortgage and all other costs, charges and expenses the payment of which in the opinion of the Mortgagee may be necessary, advantageous or expedient to preserve or protect the charge created by this Mortgage. The remainder of the money so received by the Mortgagee and not required for any of the above purposes shall be applied by the Mortgagee in the manner provided in Section 9.4.

9.3 Sale or Lease

At any time after the occurrence of an Event of Default, the Mortgagee shall have the right, with or without entry and without any further consent or concurrence of the Mortgagor, to sell and

absolutely dispose of or lease all or any part of the Property en bloc or in parcels, at public auction or by tender or by private contract, or partly by public auction and partly by tender and partly by private contract, as the Mortgagee in its sole discretion shall determine, and at such time or times and on such terms and conditions as to the Mortgagee seem appropriate, and to convey and assure the same when so sold or leased unto the purchaser or lessee thereof or such Person as the said purchaser or lessee may direct, and to execute and do all such acts, assurances, matters and things as may be necessary for the purposes aforesaid. It shall be lawful for the Mortgagee to make any such sale or lease, whether by auction, tender or private contract, either for cash or upon credit or partly one and partly the other as the Mortgagee in its sole discretion may determine, and upon such reasonable conditions as to terms of payment as the Mortgagee may deem proper, also to rescind or vary any contract of sale that may have been entered into and resell with or under any of the powers conferred herein, also to stop, suspend or adjourn any sale from time to time and hold the sale as adjourned without further notice; and the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale as aforesaid, unless the same shall happen by reason of the Mortgagee's wilful neglect or default; provided that, notwithstanding the power of sale and lease and other powers and provisions contained in this Article 9, the Mortgagee shall have and be entitled to its right of foreclosure of the equity of redemption of the Mortgagor in the Property, as fully and effectually as the Mortgagee might have exercised and enjoyed the same if the power of sale or lease or such other powers and provisions had not been herein contained

9.4 Application of Proceeds of Sale or Lease

The net profits of operating and managing the Property and the net proceeds of sale or lease of the Property or any part thereof shall be applied by the Mortgagee subject to the claims of all creditors (if any) ranking in priority to this Mortgage:

- FIRST: in payment of all costs, charges and expenses incidental to the exercise by the Mortgagee of all or of any of the powers aforesaid;
- SECOND: in payment to the Mortgagee on account of all amounts payable hereunder or secured or intended to be secured hereby, to be applied by the Mortgagee whether on account of the Principal Sum, interest or otherwise, in such manner, order and priority as the Mortgagee in its sole discretion shall determine;

and the balance thereof, if any, shall, subject to the rights of other creditors, be paid to the Mortgagor, but no application as aforesaid shall prejudice the right of the Mortgagee to claim against the Mortgagor for any delinquency.

9.5 Appointment of Receiver Manager

At any time after the occurrence of an Event of Default, the Mortgagee shall have the right to appoint by writing a receiver or receiver manager (the "**Receiver Manager**") of the Property and may from time to time remove the Receiver Manager and appoint another in its stead. The Receiver Manager will, from the date of appointment, be an agent and officer of the Mortgagor. The Mortgagor will be solely responsible for the acts, defaults, costs and remuneration of the Receiver Manager and the Mortgagee will bear no liability therefor and:

- (1) the Receiver Manager in the exercise of its power, authority or discretion shall conform to the regulations and directions from time to time made and given by the Mortgagee;

- (2) the Mortgagee may from time to time and at any time in its discretion require the Receiver Manager to give security for the performance of its duties as Receiver Manager and may fix the nature and amount of such security; and
- (3) the Mortgagee may from time to time determine what funds the Receiver Manager shall be at liberty to keep in hand with a view to the performance of its duties as Receiver Manager.

9.6 Powers of Receiver Manager

The Receiver Manager may in the discretion of the Mortgagee be vested with all or any of the powers and discretions of the Mortgagee hereunder and with all or any of the powers of the Mortgagor at the date of execution hereof including, without limitation, the power to:

- (1) take possession of and collect rents and profits from the Property, and for such purpose to take all actions and proceedings either in the name of the Mortgagor or otherwise;
- (2) complete construction of any Project being constructed on the Lands and improve, maintain, manage, operate, repair, renew, replace and restore the Property or any part thereof;
- (3) sell or grant options to purchase the whole or any part of the Property at public auction, by public or private tender or by private sale;
- (4) sell on terms as to credit and with or without security as shall appear to be most advantageous to the Receiver Manager and if a sale is on credit the Receiver Manager shall not be accountable for any money until actually received;
- (5) resell or release without being answerable for any loss occasioned thereby;
- (6) rescind or vary any contract or agreement of sale or lease;
- (7) effect a sale or option or agreement to sell or lease by conveying in the name of or on behalf of the Mortgagor or otherwise;
- (8) make and grant easements, rights of way, restrictive covenants, building schemes and other charges and encumbrances affecting the Lands;
- (9) borrow money for the purpose of completing construction of any Project being constructed on the Lands or for the purpose of improving, maintaining, managing, operating, repairing, renewing, replacing or restoring the Property or otherwise in such amount and in such manner as will, in the opinion of the Receiver Manager, be sufficient for obtaining upon the security of the Property or part thereof the amounts from time to time required, and in so doing the Receiver Manager may issue certificates ("**Receiver's Certificates**") which may be payable at such time or times as the Receiver Manager may think expedient and may bear interest as shall be stated therein and the amounts from time to time payable by virtue of such Receiver's Certificates shall form a charge upon the Property in priority to this Mortgage;
- (10) make any arrangement or compromise which the Receiver Manager considers expedient in the interests of the Mortgagee and to assent on behalf of the Mortgagor to any

modification of this Mortgage, change in priority or release in whole or in part the Property, and to exchange any part or parts of the Property for any other property upon such terms as the Receiver Manager considers expedient, either with or without payment of money for equality of exchange or otherwise;

- (11) execute and prosecute all suits, proceedings and actions in the name of the Mortgagor or otherwise, to defend all suits, proceedings and actions against the Mortgagor or the Receiver Manager, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action which the Receiver Manager considers necessary for the reasonable and proper protection of the Property; and
- (12) engage and retain accountants, agents, appraisers, assistants, lawyers and managers.

9.7 Proceeds of Receivership

The net profits of operating and managing the Property and the net proceeds of sale or lease of the Property or any part thereof shall be applied by the Receiver Manager subject to the claims of all creditors (if any) ranking in priority to this Mortgage:

FIRST: in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver Manager and the exercise by the Receiver Manager of all or any of the powers granted to the Receiver Manager pursuant to Section 9.6 including the reasonable remuneration of the Receiver Manager and all outgoings properly paid or payable by the Receiver Manager;

SECOND: in payment to the Mortgagee on account of all amounts payable hereunder or secured or intended to be secured hereby, to be applied by the Mortgagee whether on account of the Principal Sum, interest or otherwise, in such manner, order and priority as the Mortgagee in its sole discretion shall determine;

and the balance thereof, if any, shall, subject to the rights of other creditors, be paid to the Mortgagor; but no application as aforesaid shall prejudice the right of the Mortgagee or Receiver Manager to claim against the Mortgagor for any deficiency.

9.8 Mortgagee and Receiver Manager as Attorney

To enable the Mortgagee and the Receiver Manager to exercise the powers granted to them pursuant to this Article 9, the Mortgagor hereby under seal irrevocably appoints each of the Mortgagee and the Receiver Manager to be an attorney of the Mortgagor to carry out any sale or lease of the Property or any part thereof by conveying the same in the name and on behalf of the Mortgagor but under the seal of the Mortgagee or the Receiver Manager, as the case may be, and any deed, transfer or other instrument signed by the Mortgagee or the Receiver Manager under the seal of the Mortgagee or the Receiver Manager, as the case may be, pursuant hereto shall have the same effect as if it had been executed under the common seal of the Mortgagor in the presence of the Mortgagor's duly authorized officers in that behalf, and for the purposes hereof the Mortgagor hereby under seal irrevocably appoints each of the Mortgagee and the Receiver Manager as authorized signatory of the Mortgagor.

9.9 Persons Dealing with Mortgagee or Receiver Manager

The Mortgagor agrees that no person dealing with the Mortgagee or its agents or the Receiver Manager shall be required to enquire whether the charge created by this Mortgage has become enforceable, or whether the powers which the Mortgagee or the Receiver Manager are purporting to exercise have become exercisable, or whether any amount remains owing upon this Mortgage, or as to the necessity or expediency of the stipulations and conditions subject to which any sale or lease is to be made, or otherwise as to the propriety or regularity of any sale or lease or of any other dealing by the Mortgagee or the Receiver Manager with the Property or any part thereof, or to see to the application of any amount paid to the Mortgagee, and the Mortgagor hereby waives each and every claim it may have against any Person dealing with the Mortgagee, its agents or the Receiver Manager.

9.10 Surrender by the Mortgagor

The Mortgagor will yield up possession of the Property to the Mortgagee or to any Receiver Manager appointed by the Mortgagee or by any court upon demand in writing and agrees to put no obstacle in the way of, but to facilitate by all means, the actions of the Mortgagee and any Receiver Manager hereunder and not to interfere with the carrying out of the powers hereby granted to the Mortgagee and to any Receiver Manager and, if an Event of Default occurs, the Mortgagor will and hereby does consent to the appointment of the Receiver Manager with such powers as the Mortgagee is hereby vested with if so required by the Mortgagee.

ARTICLE 10 GENERAL

10.1 Enlargement

This Mortgage is intended to be a mortgage of the entire estate, right, title and interest of the Mortgagor in and to the Property and each and every part thereof and, if the estate, right, title and interest of the Mortgagor in and to the Property or any part thereof enlarges, this Mortgage will be enlarged and extended to be a mortgage of such enlarged estate, right, title and interest promptly upon the acquisition thereof by the Mortgagor, and without any further act on the part of the Mortgagor, and will become and be subject to this Mortgage as fully and completely as though now owned by the Mortgagor.

10.2 Each Lot Charged

Every part, parcel, lot or strata lot into which the Lands are or may hereafter be divided does and will stand charged with the whole of the Principal Sum, interest and all other amounts payable hereunder or secured or intended to be secured hereby and no Person will have any right to require the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby to be apportioned upon or in respect of any such part, parcel, lot or strata lot.

10.3 Attornment

Unless the Lands are occupied by the Mortgagor as residential premises as defined by the Residential Tenancy Act (British Columbia), the Mortgagor hereby attorns and becomes tenant from year to year to the Mortgagee, from the date hereof at a rental equivalent to, applicable in

satisfaction of, and payable at the same time as the instalments payable hereunder, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor; but it is agreed that neither the existence of this clause, nor anything done by virtue hereof, shall render the Mortgagee a mortgagee in possession, so as to be accountable for any money except money actually received; and the Mortgagee may at any time after an Event of Default has occurred hereunder, enter upon the Lands or any part thereof and determine the tenancy hereby created without giving the Mortgagor any notice to quit and the Mortgagee may distrain for arrears of interest and arrears of Principal Sum or any other amounts payable hereunder or secured or intended to be secured hereby in the same manner as if the same were arrears of rent.

10.4 Sale by Mortgagor

No sale or other dealing by the Mortgagor with the equity of redemption in the Lands or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other Person liable for payment of any amount hereby secured.

ARTICLE 11 MISCELLANEOUS

11.1 Joint Venture

If the Property or any part thereof is held by the Mortgagor as a partner of any firm or as a joint venturer of any joint venture or as a nominee on behalf of any beneficial owner, this Mortgage shall be deemed to be a mortgage of the interest of any such partnership or joint venture or beneficial owner, as the case may be, in the Property or such part thereof as well as a mortgage of the interest of the Mortgagor in the Property, and all covenants and agreements herein contained shall be deemed to be joint and several covenants and agreements of any such partnership or joint venture or beneficial owner and of the Mortgagor.

11.2 Other Security

The Mortgagor covenants and agrees with the Mortgagee that:

- (1) the security created hereby is in addition to any other security which the Mortgagee now or from time to time may hold from the Mortgagor or any other Person;
- (2) all powers, privileges, remedies and rights of the Mortgagee hereunder are cumulative and no such power, privilege, remedy or right is exhaustive but is in addition to each other power, privilege, remedy and right of the Mortgagee hereunder or under any other agreement or instrument now or hereafter existing at law or in equity or by statute; and
- (3) the Mortgagee may realize upon or enforce all or any part of any security which the Mortgagee now or from time to time may hold from the Mortgagor or any other Person including, without limitation, the security created hereby in any order the Mortgagee may desire and any realization or enforcement by any means upon any such security shall not bar realization or enforcement upon any other such security, notwithstanding any rule of law or equity or statute.

11.3 Continuing Security

This Mortgage is given as a general and continuing collateral security for the due and timely payment and satisfaction of the Loan Indebtedness of the Mortgagor to the Mortgagee, including (i) the amount of direct advances to the Mortgagor and all interest thereon, (ii) the face amount of letters of credit or letters of guarantee issued at the request of the Mortgagor or payment under such letters of credit or letters of guarantee to the beneficiaries thereof, and (iii) bills of exchange issued by or on behalf of the Mortgagor and accepted by the Mortgagee or payment of such bills of exchange to the holders thereof. This Mortgage will be effective whether or not the whole or any portion of the Principal Sum shall be advanced before or after or upon the date of the execution of this Mortgage and this Mortgage is made to secure, inter alia, a current or running account and any portion of the Principal Sum may be advanced or readvanced by the Mortgagee in one or more sums at any future date or dates and the amount of such advances and readvances when so made will be secured by this Mortgage and be repayable with interest at the Interest Rate and this Mortgage will be deemed to be taken as security for the ultimate balance owing to the Mortgagee arising from the current and running accounts represented by advances and readvances of the Principal Sum or any part thereof with interest at the Interest Rate and all other amounts secured hereby. If the whole or any part of the Principal Sum or other amount secured hereby is repaid this Mortgage, nevertheless, shall be and remain valid security for any subsequent advance or readvance by the Mortgagee to the Mortgagor to the same extent as if the said advance or readvance had been made on the execution of this Mortgage until such time as the Mortgagee has executed and delivered to the Mortgagor a registrable discharge of this Mortgage. It is intended that this Mortgage remains effective as security and will retain the priority given by Section 28 of the Property Law Act (British Columbia) in respect of any and all advances or readvances secured hereby.

11.4 Liability to Advance

Except to the extent that the Mortgagee:

- (1) by accepting bills of exchange drawn on it by the Mortgagor; or
- (2) by issuing letters of credit or letters of guarantee on the application of the Mortgagor;

is required to advance money on the maturity of such bills or pursuant to such letters of credit or letters of guarantee as the case may be, the Mortgagor agrees that neither the preparation, execution, delivery, registration or filing of this Mortgage, nor the advance of a part of the Principal Sum, shall bind the Mortgagee to advance the Principal Sum or any part thereof to the Mortgagor or to any other Person the obligations of which are guaranteed by the Mortgagor, the advance of the Principal Sum or any part thereof being in the sole discretion of the Mortgagee, nor shall such preparation, execution, delivery, registration or filing bind the Mortgagee to extend the time within which the Mortgagor or any other Person the obligations of which are guaranteed by the Mortgagor must repay the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby or any part thereof to the Mortgagee, but, nevertheless, the security created by this Mortgage shall take effect in accordance with the terms of this Mortgage forthwith upon execution by the Mortgagor of this Mortgage.

11.5 Mortgagee's Obligation to Pay

Notwithstanding anything to the contrary contained herein, the Mortgagee has no discretion and is absolutely obligated and required to pay the face amount under any letter of credit, letter of

guarantee, bill of exchange, or banker's acceptance (each, an "Instrument") issued or accepted by the Mortgagee as a further advance of the Loan Indebtedness when presentation is made in accordance with the terms and conditions of that Instrument.

11.6 Consolidation

It is expressly agreed that the common law right of consolidation is hereby retained and preserved and that the Mortgagee may, at its sole option, invoke the right to consolidate at any applicable time, whether or not all or any of the debentures or mortgages so consolidated are in default, whether or not all or any of the debentures or mortgages so consolidated have matured, and whether or not in pursuance of any action taken to realize on its security, and for the purposes hereof, Section 31 of the Property Law Act (British Columbia), and any other statutory provision abolishing, or purporting to abolish, the said right of consolidation is hereby expressly excluded.

11.7 Compromise or Release

The Mortgagee may at any time and from time to time, at its option, compound, compromise or release any one or more guarantors, covenantors or sureties of all or any part of the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby or all or any part of the Property or any other security held by the Mortgagee for the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby, either with or without consideration therefor, without being accountable to any person for the value thereof or any amount except the amount actually received by the Mortgagee and without releasing any other guarantor, covenantor, surety or other person from this Mortgage or from the performance of the covenants contained herein and no such compounding, compromise or release shall diminish the security created hereby against the Property remaining unreleased or any other security held by the Mortgagee.

11.8 No Merger or Novation

Neither the taking of any judgment under a covenant herein contained or otherwise nor the exercise of any power of appointment, seizure, sale or otherwise pursuant hereto or otherwise shall operate to extinguish the obligation of the Mortgagor to pay the Principal Sum, interest or any other amount payable hereunder or secured or intended to be secured hereby or as a merger of any covenant herein contained or otherwise, and the acceptance of any payment or alternate security shall not constitute or create a novation.

11.9 Credit Agreement Governs

The terms and conditions contained in the Credit Agreement shall not merge with this Mortgage and shall survive the execution and delivery of this Mortgage. If there is any conflict or inconsistency between the terms and conditions of this Mortgage and the terms and conditions of the Credit Agreement, the terms and conditions contained in the Credit Agreement shall govern and this Mortgage shall be deemed to be amended accordingly. Notwithstanding the foregoing, the inclusion of supplemental rights or remedies in favour of the Mortgagee in this Mortgage, the Credit Agreement, any commitment, offer of finance or other agreement shall not be deemed a conflict or inconsistency as contemplated herein.

11.10 Alteration or Extension of Mortgage

The Mortgagee in its discretion and with or without notice to or the consent of the Mortgagor may enter into an agreement with anyone who has assumed this Mortgage to grant an extension of time or to change the Interest Rate or to alter in any way the terms of payment or other terms of this Mortgage, or take any additional security, without releasing the Mortgagor from its obligations hereunder, or the performance of any covenants herein, and may compound with or release anyone who has assumed this Mortgage or surrender, release or abandon or omit to perfect or enforce any security, remedy or proceeding which the Mortgagee may now or hereafter hold, take or acquire or discharge part or all of the Property and may apply all money received under this Mortgage as the Mortgagee may think best, without prejudice to or in any way limiting or lessening the liability of the Mortgagor or any other person liable for payment.

11.11 Waiver

The Mortgagee may waive any default by the Mortgagor in the observance or performance of any of the terms hereof and of any other agreement or instrument of which the Mortgagee has the benefit and may waive its rights arising from the occurrence of any Event of Default; provided that each such waiver shall be effective against the Mortgagee only if given by the Mortgagee in writing and no such waiver and no act or omission of the Mortgagee shall extend to or be taken in any manner whatsoever to affect any subsequent default or occurrence or the rights arising therefrom or to effect a waiver thereof. The inspection or approval by the Mortgagee of any document or matter or thing done by the Mortgagor shall not be deemed to be a warranty or holding out of the adequacy, effectiveness, or binding effect of such document, matter or thing or a waiver of the Mortgagor's obligations hereunder.

11.12 Approvals and Consents

Any approval, consent or permission to be given by the Mortgagee hereunder shall only be effective if given in writing, and the Mortgagee shall and does have the absolute and uncontrolled discretion as to the exercise thereof, to the mode of and time for exercise thereof and, in the absence of fraud, the Mortgagee shall be in no way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.

11.13 Notices

Except as otherwise provided herein, any notice, demand or other communication herein required or permitted to be given shall be made in accordance with the Credit Agreement.

11.14 Further Assurances

The Mortgagor covenants and agrees with the Mortgagee that the Mortgagor will, forthwith at any time and from time to time at the request of the Mortgagee, execute and deliver to the Mortgagee all deeds and documents and do all acts and things which the Mortgagee may reasonably require for the purpose of mortgaging, pledging, assuring, confirming and transferring to the Mortgagee the Property and carrying into effect the purposes of this Mortgage.

11.15 Assignment

Notwithstanding any other provision of this Mortgage, the Mortgagee may assign, grant, pledge, sell or transfer any participation in this Mortgage or any power, remedy or right of the Mortgagee.

hereunder or any of its interest herein to any Person, in accordance with the Credit Agreement, and the obligations of the Mortgagor under this Mortgage are undertaken for the benefit of each such Person as well as the Mortgagee.

11.16 Successors and Assigns

This Mortgage shall be binding upon the Mortgagor, and its successors and assigns, and shall enure to the benefit of the Mortgagee, and its successors and assigns, and to any Person to whom the Mortgagee may grant any participation in this Mortgage or any power, remedy or right of the Mortgagee hereunder or any of its interest herein.

11.17 Multiple Mortgagors

If more than one Person executed this Mortgage as the Mortgagor the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Mortgagor shall include each and every such Person severally and all covenants and agreements herein contained shall be deemed to be joint and several covenants and agreements of each such Person and of any other Person who may have covenanted with the Mortgagee to pay the Principal Sum, interest or any other amount hereby secured.

11.18 Mortgagee's Records

The records of the Mortgagee as to the amount outstanding hereunder at any time, the occurrence of any Event of Default or as to any demand having been made upon the Mortgagor shall be regarded as constituting prima facie proof of the relevant fact or facts without any further or other proof.

11.19 Severability

If any provision of this Mortgage or any part hereof shall be found or determined to be invalid, illegal or unenforceable it shall be severable from this Mortgage and the remainder of this Mortgage shall be construed as if such invalid, illegal or unenforceable provision or part had been deleted herefrom.

11.20 Time of the Essence

Time is of the essence of this Mortgage.

11.21 Applicable Law

This Mortgage and the rights and obligations hereunder shall be governed by and be construed and interpreted according to the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

11.22 Jurisdiction

The Mortgagor irrevocably agrees that any legal action or proceeding with respect to this Mortgage may be brought in the courts of the Province of British Columbia or in such other court or courts as the Mortgagee in its sole discretion may elect and, by execution and delivery of this Mortgage, the Mortgagor irrevocably submits to each such jurisdiction.

11.23 Exclusion of Rights

The Principal Sum, interest and all other amounts secured hereby will be paid without regard to any equities between the Mortgagor and the Mortgagee or any other Person or any right of set-off or counterclaim.

11.24 Deed

This Mortgage is intended to be, and to be effective as, a deed.

11.25 Conflict

It is acknowledged and agreed that the Mortgage Form is a summary of terms contained in these express mortgage terms and consequently in the event of conflict between these express mortgage terms and the Mortgage Form, these express mortgage terms shall prevail and the Mortgage Form shall be interpreted in accordance with the definitions included in, and the terms of, these express mortgage terms.

11.26 Agent

The Mortgagor acknowledges that this Mortgage is provided to the Mortgagee in its capacity as Agent under the Credit Agreement for, and for the benefit of, the Facility Lenders.

ARTICLE 12 STRATA LOTS

12.1 Application

This Article shall not apply unless the Lands include, or in the future include, a strata lot as defined in the Strata Property Act (British Columbia) (the "**Act**").

12.2 Covenants of Mortgagor

The Mortgagor covenants with the Mortgagee:

- (1) to observe and perform all the covenants and provisions required to be observed and performed under or pursuant to the terms of this Mortgage, and of the Act, and of any by-laws that may be passed by the strata corporation (the "**Strata Corporation**") of which the Mortgagor is a member by virtue of its ownership of the strata lot or lots hereby charged (the "**Strata Lots**");
- (2) on or before the due dates thereof, to pay each and every assessment, contribution or levy made against the Strata Lots and interest in the common property hereby charged by the Strata Corporation. If the Mortgagor fails to pay any one or more of such assessments, contributions or levies on or before their due date, such failure shall constitute an Event of Default under this Mortgage. Upon the failure of the Mortgagor to pay such assessment, contribution or levy, the Mortgagee may make such payment but shall not be obliged to do so, and any amount so paid by the Mortgagee shall be added to and form part of the Principal Sum and shall be paid to the Mortgagee together with interest thereon forthwith without demand;

- (3) as a member of the Strata Corporation to seek the full compliance by the Strata Corporation with the aforementioned covenants and agreements of the Mortgagor in this Mortgage;
- (4) that the power of voting conferred on the Mortgagor by the Act is hereby assigned by the Mortgagor to the Mortgagee and shall be exercised by the Mortgagee insofar as is allowed by the Act, but it is agreed that neither this subsection nor anything done by virtue hereof shall render the Mortgagee a mortgagee in possession. The Mortgagor hereby acknowledges receipt of written notice that the Mortgagee intends to exercise its power to vote on any matters relating to insurance, maintenance, finance or other matters affecting the security created by this Mortgage, and the Mortgagor agrees that no additional notice need be given to the Mortgagor to permit the Mortgagee to exercise the right and power to vote conferred on the Mortgagor in respect of such matters. It is understood that the Mortgagor may, at any duly called meeting of the Strata Corporation of which the Mortgagee has received written notice, exercise the right to vote on the aforesaid matters if the Mortgagee is not, by its authorized representative, agent or proxy present at such meeting;
- (5) that the right to vote assigned herein to the Mortgagee shall not make the Mortgagee in any way responsible to protect the interest of the Mortgagor, and the Mortgagee shall not be responsible for any exercise of the right to vote or any failure to exercise the right to vote;
- (6) to forward to the Mortgagee within 10 days of demand by the Mortgagee a certificate in Form F of the Strata Property Regulation certifying that no money is owing to the Strata Corporation by the Mortgagor;
- (7) not to, without the prior written consent of the Mortgagee:
 - (a) assign any of the Mortgagor's rights, powers, duties or obligations under the Act or the by-laws created under the Act; or
 - (b) give possession of the Strata Lots hereby charged to any person on the basis of an agreement providing for the purchase of the Strata Lots by the occupier or on the basis of a lease, sub-lease or assignment of lease for a term of three (3) years or more

12.3 General Provisions

The Mortgagor hereby:

- (1) authorizes the Mortgagee in writing to apply at any time and from time to time to the Strata Corporation for certification to the Mortgagee regarding all information and matters referred to in section 59 of the Act;
- (2) authorizes the Mortgagee in writing to apply at any time and from time to time to the Strata Corporation to have the by-laws of the Strata Corporation available for inspection pursuant to section 36 of the Act; and

- (3) appoints the Mortgagee to be the Mortgagor's agent to examine, inspect and obtain copies of any and all records, minutes, books of account or other documents of any nature and kind whatsoever which the Mortgagor is entitled to examine, inspect or obtain copies of.

ARTICLE 13 ASSIGNMENT OF RENTS

13.1 Assignment

The Mortgagor hereby assigns, grants, transfers and sets over to the Mortgagee all right, title, interest and claims of the Mortgagor in and to all rents and other money (collectively, the "**Rents**") due or accruing due or at any time hereafter to become due under each lease, agreement for lease, tenancy agreement, licence, concession, franchise and right of use or occupancy of the Lands or any part thereof of every nature and kind whatsoever, whether verbal, written or otherwise, now or hereafter existing (collectively, the "**Leases**") and each guarantee of or indemnity (collectively, the "**Guarantees**") with respect to each Lease, and each advantage, benefit, power and right derived or to be derived in respect thereof, together with all the right, title and interest of the Mortgagor, as landlord, in the Leases, with full power and authority to collect, demand, distrain for, enforce payment of, give receipts for, receive, recover and sue for any Rents and to take any other measure or do any other act or thing which the Mortgagor would be entitled to take or do but for this Assignment, in the Mortgagee's own name or in the name of and as agent for the Mortgagor as the Mortgagee may elect, for the Mortgagee to have and to hold until all of the Principal Sum, interest, taxes, costs and expenses, insurance premiums and all other money due and payable or to become due and payable under this Mortgage has been fully paid and satisfied.

13.2 Nature of Assignment

The Mortgagor covenants and agrees as follows:

- (1) unless otherwise directed by the Mortgagee, the Mortgagor will be permitted and entitled to collect, take and use all Rents until the occurrence of an Event of Default hereunder;
- (2) nothing herein contained shall have the effect of making the Mortgagee, or its successors or assigns, responsible for the collection of any Rents, or for the performance or observance of any obligation of the Mortgagor under or in respect of any of the Leases or any of the Guarantees, and the Mortgagee shall not, by virtue of this Assignment or its receipt of any Rents, become or be deemed to be mortgagee in possession of the Lands, or in any way accountable or liable as such and the Mortgagee shall not be under any obligation to take any action or exercise any remedy in respect of the collection or recovery of any Rents, or to see to or enforce the performance or observance of any obligation of any party under or in respect of any of the Leases or any of the Guarantees, and the Mortgagee shall be liable to account only for such funds as shall actually come into its hands, less proper collection charges, inspection fees and other reasonable expenses of the Mortgagee, and such funds may be applied to any indebtedness, liabilities or obligations now or hereafter existing of the Mortgagor to the Mortgagee, whether in respect of any of the Loan Indebtedness or otherwise, in such manner, order and priority and at such times as the Mortgagee in its sole discretion may determine;

- (3) It is the intention of the Mortgagor and the Mortgagee that this Assignment shall be a present assignment; and the Mortgagor expressly agrees that upon the occurrence of an Event of Default the Mortgagee may, receive and collect any Rents and exercise any other power, right or remedy assigned to the Mortgagee hereunder, and this Assignment shall and does constitute an irrevocable direction and full authority to each party to the Leases and the Guarantees to pay all Rents to the Mortgagee upon demand and without the necessity of any further authorization or consent from the Mortgagor;
- (4) this Assignment shall not in any manner hinder or prejudice the Mortgagee from realizing on the Lands or any part thereof or from exercising any right, power or remedy of the Mortgagee under the Mortgage and the Mortgagee will be entitled to exercise any right, power or remedy of the Mortgagee hereunder in any order as the Mortgagee in its sole discretion may determine, notwithstanding any rule of law or equity to the contrary.

13.3 Representations and Warranties of Mortgagor

The Mortgagor makes the following representations and warranties to the Mortgagee which shall be true and correct in all respects as of the date hereof:

- (1) none of the Leases, the Guarantees or the Rents are subject to any other assignment or any claim, charge, lien, set off or other encumbrance other than any encumbrance in favour of the Mortgagee;
- (2) no Rents have been paid more than one month in advance of the due date thereof or in an amount referable to a period exceeding one month;
- (3) there is no existing default, whether in payment of any Rents or otherwise, under any of the Leases or any of the Guarantees by any party thereto; and
- (4) there is no outstanding dispute under any of the Leases between any of the parties thereto.

13.4 Covenants of Mortgagor

The Mortgagor covenants and agrees with the Mortgagee that so long as any of the Loan Indebtedness shall remain unpaid:

- (1) the Mortgagor will not, without the prior written consent of the Mortgagee, accept or require prepayment of any Rents more than one month in advance of the due date thereof or in an amount referable to a period exceeding one month except Rents paid on account of arrears in such Rents, and will otherwise accept and require payment of Rents only in the amounts and at the times and in the manner stipulated in the Leases;
- (2) the Mortgagor will at all times observe and perform each of its obligations under the Leases and the Guarantees and will observe and perform all matters and things necessary or expedient to be observed or performed in order to maintain, preserve and protect all of the rights and remedies of the Mortgagee thereunder, and will indemnify the Mortgagee from the consequences of any failure to do so;
- (3) the Mortgagor will at any time and from time to time upon the written request of the Mortgagee forthwith furnish to the Mortgagee a copy of each Lease and each Guarantee.

and a current list of all of the Leases, any Rents payable thereunder and any Guarantees in respect thereof in such detail and such form as the Mortgagee may require.

ARTICLE 14 PARTIAL DISCHARGES

14.1 Partial Discharges

Provided that the Mortgagee will execute and deliver to the Mortgagor a partial discharge of this Mortgage from any lot or strata lot (each a "**Lot**") into which the Lands are subdivided, provided that all applicable conditions required in connection with such partial discharge pursuant to the Credit Agreement have been met and satisfied to the Mortgagee's sole satisfaction.

14.2 Application of Proceeds

All amounts received by the Mortgagee from the sale of any Lot will be applied by the Mortgagee on account of the Principal Sum, interest and all other amounts secured hereby in such manner, order and priority as the Mortgagee in its sole discretion determines or as otherwise provided for in the Credit Agreement.

IN WITNESS WHEREOF this Mortgage has been executed by the Mortgagor on the attached Mortgage Form as of the date set out in Item 12 of the Mortgage Form.



Land Title Act

Charge

General Instrument – Part I

NEW WESTMINSTER LAND TITLE OFFICE

JUL 12 2023 08:14:11.001

CB748029-CB748030

1. Application

Document Fees: \$156.34

GOWLING WLG (CANADA) LLP
Barristers & Solicitors, P.O. Box 30
Suite 2300 - 550 Burrard Street
Vancouver BC V6C 2B5
Phone No. (604) 683-6498

Matter No. V55753 / CSC & C Joanes

2. Description of Land

PFD/Plan Number

Legal Description

031-725-953

LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3. Nature of Interest

Type

Number

Additional Information

MODIFICATION

CB612313

of Mortgage CB612313

MODIFICATION

CB612314

of Assignment of Rents CB612314

4. Terms

Part 2 of this instrument consists of:

(b) Express Charge Terms Annexed as Part 2

5. Transferor(s)

1075 NELSON DEVELOPMENT HOLDINGS INC., NO.BC0979494

6. Transferee(s)

HSBC BANK CANADA
600 - 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3G1

7. Additional or Modified Terms



Land Title Act
Charge
General Instrument – Part 1

8. Execution(s)

This instrument creates, assigns, modifies, enlarges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledges receipt of a true copy of the filed standard charge terms, if any.

Witnessing Officer Signature

Execution Date

Transferor / Transferee / Party Signature(s)

Helen Bougas
Notary Public
503-1425 Rene-Levesque West
Montreal QC H3G 1T7

YYYY-MM-DD

2023-07-11

**1075 NELSON DEVELOPMENT
HOLDINGS INC.**
By their Authorized Signatory

Kheng Ly

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Witnessing Officer Signature

Execution Date

Transferor / Transferee / Party Signature(s)

LERONG JANG
**Commissioner for Taking Affidavits
for British Columbia**
385 West Georgia Street
Vancouver BC V6C 3G1

YYYY-MM-DD

2023-07-11

HSBC BANK CANADA
By their Authorized Signatory

CHRIS DAWE

Commission Expires November 30, 2025

DALE TELFER

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 158.4 of the *Land Title Act*, R.S.B.C. 1996, c.250, that you certify this document under section 158.4(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**William Christopher
Porter N5RM43**

Digitally signed by
**William Christopher
Porter N5RM43**
Date: 2023-07-11
16:13:31 -07:00

*LAND TITLE ACT***TERMS OF INSTRUMENT – PART 2**

MODIFICATION OF MORTGAGE AND ASSIGNMENT OF RENTS

July, 2023. This Modification of Mortgage and Assignment of Rents made as of the 11th day of

BETWEEN:

1075 NELSON DEVELOPMENT HOLDINGS INC.

(the "Mortgagor")

AND:

HSBC BANK CANADA

(the "Mortgagee")

WHEREAS:

- A. The Mortgagor is the registered owner of the lands and premises located at Burnaby, British Columbia, legally described in Item 2 of the Form C General Instrument attached hereto (the "**Lands**");
- B. By a mortgage and assignment of rents (collectively the "**Mortgage**") granted by the Mortgagor in the principal amount of \$90,000,000 and registered in the New Westminster Land Title Office as instrument nos. CB612313 and CB612314, respectively, the Mortgagor mortgaged and charged in favour of the Mortgagee the Lands to secure the principal sum, interest and other amounts as set forth in the Mortgage and the due performance of the obligations and covenants of the Mortgage therein contained; and
- C. The Mortgagor and the Mortgagee have agreed to modify the Mortgage to increase the principal amount secured thereby to \$108,000,000 (the "**Increased Principal Sum**").

NOW THEREFORE THIS MODIFICATION OF MORTGAGE AND ASSIGNMENT OF RENTS WITNESSES that in consideration of the sum of One Dollar (\$1.00) of lawful money of Canada and other good and valuable consideration now paid by the Mortgagee to the Mortgagor (the receipt and sufficiency of which are by the Mortgagor hereby acknowledged), and in consideration of the premises and mutual covenants herein contained, the Mortgagor hereby covenants and agrees with the Mortgagee as follows:

1. The Mortgage is hereby modified by deleting the figure "\$90,000,000" from item 5 "Payment Provisions" (a) "Principal Amount" of the Mortgage - Part 1, Form B and inserting in lieu thereof the figure "\$108,000,000".
2. As security for the due payment of the Increased Principal Sum, interest and all other amounts from time to time payable under the Mortgage, as modified hereby, and for advances of current account or otherwise from time to time and for any and all other Indebtedness from time to time of the Owner and Mortgagor to the Mortgagee which is secured by the Mortgage, as modified hereby, and for the due performance of the obligations and covenants of the Owner and Mortgagor contained in the Mortgage, as modified hereby, the Mortgagor hereby grants and mortgages to the Mortgagee absolutely all of the estate, right title and interest of the Mortgagor presently owned or hereafter acquired in and to the Lands, subject only to the encumbrances, if any, permitted in the Credit Agreement.
3. This Modification of Mortgage and Assignment of Rents modifies and extends the Mortgage, and the Mortgage, and this Modification of Mortgage and Assignment of Rents shall henceforth be read together and shall have effect so far as practicable as though all the provisions thereof and hereof were contained in one instrument, provided that nothing herein contained shall affect or prejudice the rights of the Mortgagee as against the Mortgagor or as against any surety for the payment of the Increased Principal Sum, interest or any other amount from time to time or any part thereof, or any other rights of the Mortgagee under the Mortgage or any rights of the Mortgagee under any other security or securities which the Mortgagee may hold or as against any subsequent encumbrancer or other person interested in the Lands, all of which said rights are hereby expressly reserved.
4. All clauses, conditions, covenants, powers, provisos, stipulations, matters and things whatsoever contained in the Mortgage shall continue in full force and effect.
5. The Mortgagor confirms, covenants and agrees to and with the Mortgagee that the grants, mortgages and charges with respect to the Lands charged by the Mortgage, as contained in and provided for in the Mortgage, as modified hereby, shall include and secure repayment of the Increased Principal Sum, interest thereon and all other amounts which are or which may hereafter be secured by the Mortgage, as modified hereby.
6. This Modification of Mortgage and Assignment of Rents shall endure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
7. Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Mortgage.

IN WITNESS WHEREOF each of the Mortgagor and the Mortgagee has executed this Modification of Mortgage and Assignment of Rents on Form C (Part 1) attached hereto.



Land Title Act

Charge, Notation or Filing

NEW WESTMINSTER LAND TITLE OFFICE

JUN 19 2025 11:30:29.001

CB2119078-CB2119079

1 Application

Deduct LTO Fees: Yes

Document Fees: \$165.04

506954-834

DENTONS CANADA LLP
20TH FLOOR, 250 HOWE STREET
VANCOUVER BC V6C 3R8
6046874460

2 Description of Land

PID/Plan Number

Legal Description

031-725-953

LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3 Nature of Charge, Notation, or Filing

Type

Affected Number

Additional Information

CHANGE OF NAME - AMALGAMATION OF COMPANIES

CB612313

Mortgage CB612313 as Modified by CB748029

CHANGE OF NAME - AMALGAMATION OF COMPANIES

CB612314

Assignment of Rents CB612314 as Modified by CB748030

4 Person Entitled to be Registered as Charge Owner

ROYAL BANK OF CANADA

A CANADIAN CHARTERED BANK HAVING A POSTAL ADDRESS

AT

885 WEST GEORGIA STREET

VANCOUVER BC V6C 3E8

Electronic Signature

Your electronic signature is a representation that:

(a) you are a subscriber under section 168.6 of the *Land Title Act*, RSBC 1996 c.250, and that you are authorized to electronically sign this application by an e-filing direction made under section 168.22(2) of the act, and

(b) if this application requires a supporting document, that you are a designate authorized to certify this application under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this application under section 168.43(3) of the act, and that the supporting document or a true copy of the supporting document, if a true copy is allowed under an e-filing direction, is in your possession.

Eamonn Francis
Watson RHPBES

Digitally signed by
Eamonn Francis Watson
RHPBES

Date: 2025-06-18
17:28:51 -07:00

CERTIFICATE RE LETTERS PATENT OF AMALGAMATION EFFECTIVE DATE

TO: The Registrar
Land Title Office
Suite 500, 11 8th Street
New Westminster, BC
V3M 3N7

RE: Letters Patent of Amalgamation (the "Letters Patent of Amalgamation") dated December 21, 2023 regarding the amalgamation of Royal Bank of Canada, HSBC Bank Canada, HSBC Trust Company (Canada), HSBC Mortgage Corporation (Canada) and HSBC Finance Mortgages Inc. to continue as one bank under the name in English, "Royal Bank of Canada" and in French, "Banque Royale du Canada"

I, Cassandra Federico, of the City of Vancouver, Province of British Columbia, certify that:

1. I am a lawyer with Dentons Canada LLP, solicitors acting on behalf of Royal Bank of Canada in connection with the above-referenced matter.
2. I confirm that the Royal Bank of Canada acquired control of HSBC Bank Canada on March 28, 2024. In accordance with paragraph (c) in the Letters Patent of Amalgamation, the amalgamation became effective on March 29, 2024, being the day following March 28, 2024.

I am making this Certificate to confirm the amalgamation under the Letters Patent of Amalgamation has occurred and is effective on March 29, 2024.

DATED: June 18th, 2025


CASSANDRA FEDERICO



Canada

**Letters Patent of
Amalgamation**

Bank Act

Pursuant to subsection 229(1) of the Bank Act,
I

- (a) amalgamate and continue Royal Bank of Canada, HSBC Bank Canada, HSBC Trust Company (Canada), HSBC Mortgage Corporation (Canada) and HSBC Finance Mortgages Inc., as one bank under the name in English, **Royal Bank of Canada**, and in French, **Banque Royale du Canada**;
- (b) declare that the head office of the amalgamated bank shall be situated in the Province of Quebec; and
- (c) declare that these letters patent of amalgamation are effective on the next day following the day on which Royal Bank of Canada acquires control of HSBC Bank Canada.

Date: December 21, 2023


**Lettres patentes de
fusion**

Loi sur les banques

En vertu du paragraphe 229(1) de la Loi sur
les banques, je

- (a) fusionne et proroge Banque Royale du Canada, Banque HSBC Canada, Société de fiducie HSBC (Canada), Société hypothécaire HSBC (Canada) et Financement hypothécaire HSBC Inc. en une seule banque sous la dénomination sociale, en français, **Banque Royale du Canada** et, en anglais, **Royal Bank of Canada**;
- (b) fixe le siège de la banque issue de la fusion dans la province de Québec;
- (c) statue que les présentes lettres patentes de fusion entrent en vigueur le jour suivant la date où Banque Royale du Canada acquiert le contrôle de Banque HSBC Canada.

Date : Le 21 décembre 2023


Deputy Prime Minister and Minister of Finance
Vice-première ministre et ministre des Finances

This is **Exhibit "D"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**

GENERAL SECURITY AGREEMENT

Project Specific

This General Security Agreement dated for reference May 11, 2023.

BY:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP

and

1075 NELSON DEVELOPMENT HOLDINGS INC.,

both of Suite 2400 – 745 Thurlow Street, Vancouver, British
Columbia, V6E 1C5

(individually and collectively, the "**Debtor**")

IN FAVOUR OF:

HSBC BANK CANADA, of Suite 600 – 885 West Georgia Street,
Vancouver, British Columbia, V6C 3G1

In its capacity as administrative and collateral agent for the Lenders
(as defined below)

(the "**Agent**")

I Security

- 1.1 For value received, the Debtor grants and creates the security constituted by this General Security Agreement and agrees to the terms, covenants, agreements, conditions, provisos and other matters set out in this General Security Agreement.
- 1.2 As general and continuing security for the Obligations (as defined in clause 2.1 hereof), the Debtor
 - 1.2.1 hereby grants to the Agent, by way of mortgage, charge, assignment and transfer, a security interest in all presently owned and hereafter acquired personal property, assets and undertaking of the Debtor of whatsoever nature and kind located on or relating in any way to, or used or acquired in connection with, or derived from, the Lands, or the acquisition, ownership, construction, development, sale, leasing or operating of the Lands or any part thereof and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor (all of which are herein collectively called the "**Personal Property Collateral**"), including, without limiting the generality of the foregoing, all the presently owned or held and hereafter acquired right, title and interest of the Debtor in and to all Goods (including all accessories, attachments, additions and Accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles (subject to clause 1.2.2 hereof), Licences, Money and Investment Property with respect to the Lands or any part thereof, and all:

- (a) **Accounts.** All debts, accounts, claims and monies arising from, relating to or in connection with the Lands which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor or in which the Debtor now or hereafter has any other interest, and also all securities, bills, notes and other documents now held or owned or which may be hereafter taken, held or owned by the Debtor or anyone on behalf of the Debtor in respect of the said debts, accounts, claims and monies, and any part thereof;
- (b) **Equipment and Fixtures.** All goods in which the Debtor now or hereafter has an interest and which are now or at any time hereafter situate on the Lands or are now or at any time hereafter acquired by the Debtor for or in connection with the construction, sale, leasing or operation of the Lands, and all buildings thereon, other than inventory or consumer goods and any part thereof, including, without limitation, all tools, apparatus, fixtures, plant, machinery, furniture, chattels, all air conditioning, heating, ventilating, electrical, mechanical, plumbing, communications and data systems, appurtenances, equipment and apparatus, elevators, escalators and other conveyancing devices, all boilers, furnaces, carpets, blinds, window coverings, curtains, drapes, awnings, lighting fixtures, doors, windows, demising walls and partitions, wiring, pipes and conduits;
- (c) **Instruments.** All letters of credit, advices of credit and all other instruments in which the Debtor now or hereafter has an interest, and any part thereof arising from, relating to or in connection with the Lands;
- (d) **Intangibles.** All intangible property of whatever kind in which the Debtor now or hereafter has an interest, arising from, relating to or in connection with the Lands including, without limitation, all of the Debtor's choses in action, contractual rights, warranties, agreements (including without limitation, management agreements), leases of personal property, licence rights, licences, permits, goodwill, patents, trade-marks, trade names, industrial designs, copyrights and other industrial or intellectual property;
- (e) **Inventory.** All personal property of whatever kind situate on the Lands, which now or hereafter forms part of the inventory of the Debtor, in which the Debtor now or hereafter has an interest, including without limitation, all goods, merchandise, raw materials, goods in process, work in progress, finished goods and other intangible personal property now or hereafter held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Debtor, and any part thereof;
- (f) **Money.** All money in which the Debtor now or hereafter has an interest, and any part thereof arising from, relating or in connection with the Lands, including without limitation, the proceeds of all policies of insurance obtained or maintained by the Debtor in connection with the Personal Property Collateral;
- (g) **Proceeds.** All present and future proceeds and personal property in any form derived directly or indirectly from any dealing with the Personal

Property Collateral or any part thereof and all present and future proceeds of proceeds and any part thereof;

- (h) **Contracts.** All benefit of the Debtor in all contracts, agreements, construction contracts, construction management agreements, trade contracts, subtrade contracts, consultant's contracts, plans, specifications, development agreements, permits and bonds (collectively the "**Contracts**") in connection with the development of a mixed-use condominium project (the "**Project**") on the Lands and
- (i) **Purchase and Sale Agreements.** All benefit of the Debtor in all contracts of purchase and sale, interim agreements or purchase commitments and any deposits and sale proceeds paid or payable thereunder in connection with the purchase and sale of the Project and the strata lots, lots and units comprising the Project.

1.2.2 hereby grants to the Agent, by way of mortgage and charge a security interest in all presently owned and hereafter acquired patents, trade-marks, copyrights, industrial designs and other intellectual property in connection with the Lands and all proceeds thereof and therefrom, renewals thereof, Accessions thereto and substitutions therefor (all of which is deemed to be included in the definition of "**Personal Property Collateral**" referred to in clauses 1.2.1 and 1.3.3. hereof), and

1.2.3 Intentionally deleted.

1.3 In this General Security Agreement:

1.3.1 any reference to "**Lands**" means the lands and premises legally described in Item 1 of Schedule A, and any buildings or other improvements now or hereafter located thereon,

1.3.2 any reference to "**Premises**" shall mean the Lands and any other property owned or leased by the Debtor in connection with the Lands;

1.3.3 the Personal Property Collateral and the Other Collateral are herein together called the "**Collateral**";

1.3.4 any reference to "**Collateral**" shall, unless the context otherwise requires, be deemed a reference to "**Collateral or any part thereof**";

1.3.5 any reference to "**Debtor**" and the personal pronoun "**it**" or "**its**" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more entities and, if more than one Debtor executes this General Security Agreement, this General Security Agreement shall apply and be binding upon each of them jointly and severally and all obligations hereunder shall be joint and several;

1.3.6 any references to "**Environmental Laws**" shall mean any laws, regulations, orders, by-laws, permits or lawful requirements of any governmental authority with respect to environmental protection or regulating hazardous materials;

- 1.3.7 any reference to "**General Security Agreement**" shall, unless the context otherwise requires, be deemed a reference to this General Security Agreement as amended from time to time by written agreement together with the schedules hereto and any schedules added hereto pursuant to the provisions hereof;
- 1.3.8 any reference to "**Hazardous Materials**" shall mean any asbestos material, urea formaldehyde, explosives, radioactive materials, pollutants, contaminants, hazardous substances, corrosive substances, toxic substances, special waste or waste of any kind including, without limitation, compounds known as chlorobiphenyls and any substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or release of which into the environment is prohibited, controlled or licensed under Environmental Laws;
- 1.3.9 any reference to "**PPSA**" shall mean the *Personal Property Security Act* of the Province as amended from time to time, including any amendments thereto and any Act substituted therefor and amendments thereto;
- 1.3.10 any reference to the "**Province**" shall mean the Province of British Columbia;
- 1.3.11 the terms "**Goods**", "**Chattel Paper**", "**Documents of Title**", "**Equipment**", "**Accounts**", "**Consumer Goods**", "**Instruments**", "**Intangibles**", "**Licences**", "**Money**", "**Investment Property**", "**Proceeds**", "**Inventory**" and "**Accessions**" and other words and expressions which have been defined in the PPSA shall be interpreted in accordance with their respective meanings given in the PPSA (either in the singular or plural thereof), as the context requires unless otherwise defined herein or unless the context otherwise requires; and
- 1.3.12 the following terms have the following meanings:
- (a) "**Credit Agreement**" means the credit agreement dated May 11, 2023, between, *inter alia*, the Agent, the Lenders, and the Debtor, as the same may from time to time be supplemented, amended, restated or replaced and in effect;
 - (b) "**Event of Default**" has the meaning set forth in the Credit Agreement;
 - (c) "**Lenders**" means HSBC Bank Canada, Bank of Montreal and any financial institution or institutions from time to time that become a lender pursuant to the Credit Agreement and their respective successors and assigns;
 - (d) "**Loan Facility**" means the credit facilities provided or to be provided by the Lenders to the Debtor pursuant to the Credit Agreement;
 - (e) "**Permitted Encumbrances**" has the meaning assigned to it in the Credit Agreement; and
 - (f) "**Security Documents**" means the security documents to be provided by the Debtor to the Agent and the Lenders pursuant to the Credit Agreement, as the same may from time to time be supplemented, amended, restated or replaced from time to time.

- 1.4 The Agent and the Debtor have not agreed to postpone the time for attachment of the security interest granted hereby.
- 1.5 The security interest in Consumer Goods hereby granted shall not become effective until, but shall become effective immediately when, the Agent notifies the Debtor in writing that it is effective.
- 1.6 The last day of the term of any lease held by the Debtor with respect to any of the Collateral is excluded from the security constituted by this General Security Agreement.

II **Obligations Secured**

- 2.1 The security constituted by this General Security Agreement is general and continuing security for payment, performance and satisfaction of each and every obligation, indebtedness and liability of the Debtor to the Agent and the Lenders (including interest thereon), arising pursuant to or in connection with the Loan Facility, the Credit Agreement and the other Security Documents, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, (all of which obligations, indebtedness and liabilities are herein collectively called the "**Obligations**").
- 2.2 This General Security Agreement and the security constituted hereby are in addition to and not in substitution for any other security or securities which the Agent or the Lenders may now or from time to time hold or take from the Debtor or from any other person whomsoever.

III **Representations and Warranties of the Debtor**

- 3.1 The Debtor represents and warrants that, and, so long as this General Security Agreement remains in effect, shall be deemed to continuously represent and warrant that:
 - 3.1.1 its full legal name (including any French or French/English form of its legal name) and any other name under which it conducts its business, its jurisdiction of formation, incorporation, amalgamation, continuation or organization, as applicable, and its head office, registered office and chief executive office, is in each case as set out in Item 2 of Schedule A hereto and all other information relating to it contained in Schedule A hereto is complete and accurate;
 - 3.1.2 this General Security Agreement has been authorized, executed and delivered in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this General Security Agreement, the creation of the security constituted hereby and the performance of the Debtor's obligations hereunder, legal, valid and binding;
 - 3.1.3 the Collateral is genuine and is owned by the Debtor free of all security interests, mortgages, liens, claims, charges and other encumbrances (herein collectively called "**Encumbrances**"), save for the security constituted by this General Security

Agreement, Permitted Encumbrances and those Encumbrances approved in writing by the Agent;

- 3.1.4 the Debtor has good and lawful authority to create the security in the Collateral constituted by this General Security Agreement;
- 3.1.5 each Debt, Chattel Paper and Instrument included in the Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Debtor to the Agent from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defense, set off, claim or counterclaim against the Debtor which can be asserted against the Agent, whether in any proceeding to enforce the Collateral or otherwise;
- 3.1.6 with respect to Goods (including Inventory) comprised in the Collateral, the locations specified in Schedule A hereto are accurate and complete (save for Goods in transit to such locations and Inventory on lease or consignment) and all fixtures or Goods about to become fixtures which form part of the Collateral will be situate at one of the locations specified in Schedule A hereto;
- 3.1.7 Intentionally deleted;
- 3.1.8 Intentionally deleted;
- 3.1.9 Intentionally deleted;
- 3.1.10 Intentionally deleted;
- 3.1.11 the Debtor is the owner of any intellectual property applications and registrations and there are no outstanding claims of ownership by third parties in respect of these registrations and applications;
- 3.1.12 all intellectual property applications and registrations are valid and in good standing;
- 3.1.13 all trade-mark and industrial designs have been in continuous use and that the use has been proper in relation to the wares and services of the Debtor;
- 3.1.14 only the Debtor has used the trade-marks, or if there are any third party users of the Debtor's trade-marks, such third party users are properly licensed to use such trademarks;
- 3.1.15 all assignments and other documents affecting intellectual property rights have been disclosed and provided to the Agent;
- 3.1.16 there are no outstanding or threatened claims or proceedings with respect to the intellectual property; and

- 3.1.17 all necessary assignments and license agreements have been properly executed by the Debtor for use of third party intellectual property.

IV Covenants of the Debtor

- 4.1 The Debtor covenants and agrees that at all times while this General Security Agreement remains in effect the Debtor will:

- 4.1.1 defend the Collateral for the benefit of the Agent against the claims and demands of all other persons;

- 4.1.2 not, without the prior written consent of the Agent, except as expressly permitted under the Credit Agreement:

- (a) create or permit to exist any Encumbrance against any of the Personal Property Collateral which ranks or could in any event rank in priority to or *pari passu* with the security constituted by this General Security Agreement, or

- (b) grant, sell, exchange, transfer, assign, lease or otherwise dispose of the Collateral;

provided always, that, until an Event of Default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to clause 5.2 hereof, use monies available to the Debtor;

- 4.1.3 fully and effectively maintain and keep maintained valid and effective the security constituted by this General Security Agreement,

- 4.1.4 notify the Agent at least ten (10) business days before the effective date of any change to the information contained in Schedule A hereto;

- 4.1.5 notify the Agent promptly of:

- (a) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's name, the Debtor's business or the Collateral;

- (b) the details of any significant acquisition of Collateral;

- (c) the details of any claims or litigation affecting the Debtor or the Collateral;

- (d) any loss or damage to the Collateral of a material nature;

- (e) any default by any Account Debtor in payment or other performance of obligations of the Account Debtor comprised in the Collateral; and

- (f) the return to, or repossession by, the Debtor of Collateral;

- 4.1.6 keep the Collateral in good order, condition and repair (in the locations specified in Schedule A or such other locations as the Agent may approve in writing) and not use the Collateral in violation of the provisions of this General Security

Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

- 4.1.7 carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral and, at the Agent's request, mark any and all such records and the Collateral so as to indicate the security constituted by this General Security Agreement;
- 4.1.8 forthwith pay:
 - (a) all obligations to its employees and all obligations to others which relate to its employees, if any, when due, including, without limitation, all taxes, duties, levies, government fees, claims and dues related to its employees;
 - (b) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Agent may require; and
 - (c) all Encumbrances which rank or could in any event rank in priority to or *pari passu* with the security constituted by this General Security Agreement, other than the Permitted Encumbrances and those Encumbrances approved in writing by the Agent;
- 4.1.9 prevent the Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this General Security Agreement;
- 4.1.10 insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as required by the Credit Agreement or any other Security Document (as defined in the Credit Agreement) or as the Agent shall reasonably direct (but in any event in accordance with prudent business practice and for not less than the full replacement cost thereof) with loss payable to the Agent and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums for such insurance;
- 4.1.11 deliver to the Agent from time to time promptly upon request:
 - (a) any Documents of Title, Instruments, Investment Property and Chattel Paper comprised in or relating to the Collateral;
 - (b) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (c) all financial statements prepared by or for the Debtor regarding the Debtor's business as required under the Credit Agreement;

- (d) all policies and certificates of insurance relating to the Collateral; and
- (e) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Agent may reasonably require;

4.1.12 forthwith pay all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Agent in:

- (a) inspecting the Collateral;
- (b) negotiating, preparing, perfecting and registering this General Security Agreement and other documents;
- (c) investigating title to the Collateral;
- (d) taking, recovering, keeping possession of and insuring the Collateral;
- (e) connection with any disclosure requirements under the PPSA, and
- (f) all other actions and proceedings taken in connection with the preservation of the Collateral and the confirmation, perfection and enforcement of this General Security Agreement and of any other security held by the Agent as security for the Obligations.

4.1.13 Intentionally deleted;

4.1.14 at the Agent's request at any time and from time to time execute and deliver such further and other documents and instruments and do all other acts and things as the Agent reasonably requires in order to give effect to this General Security Agreement or to confirm and perfect, and maintain perfection of, the security constituted by this General Security Agreement in favour of the Agent;

4.1.15 permit the Agent and its representatives, at all reasonable times, access to all the Debtor's property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;

4.1.16 comply with the covenants of the Debtor set out in the Credit Agreement;

4.1.17 Intentionally deleted;

4.1.18 Intentionally deleted;

4.1.19 Intentionally deleted;

4.1.20 Intentionally deleted;

4.1.21 Intentionally deleted;

4.1.22 Intentionally deleted;

- 4.1.23 apply to file applications and complete registrations on any present intellectual property which is not currently protected by an application or registration where commercially reasonable, including any and all improvements to intellectual property and apply to file registrations on unregistered trade-marks in Canada and the United States;
- 4.1.24 apply to file applications and complete registrations of all after acquired intellectual property in all jurisdictions where commercially reasonable;
- 4.1.25 keep up-to-date records regarding intellectual property;
- 4.1.26 enter into confidentiality agreements with employees and other third parties who may invent, create, discover, author or reduce to practice intellectual property for the Debtor and who may have access to confidential information of the Debtor;
- 4.1.27 ensure that all after acquired intellectual property obtained from third parties is properly acquired by way of a written license agreement or assignment;
- 4.1.28 provide, upon written request by the Agent, a list of all registered and unregistered trade-marks, patent applications, issued patents, copyright, industrial designs and other intellectual property; and
- 4.1.29 mark all products and advertising appropriately to maintain the validity of all intellectual property rights.

V Payments and Proceeds

- 5.1 Before or after default under this General Security Agreement, the Agent may notify all or any Account Debtors of the security constituted by this General Security Agreement and, after default, may also direct such Account Debtors to make all payments on the Collateral to the Agent.
- 5.2 The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors after default under this General Security Agreement, shall be received and held by the Debtor in trust for the Agent and shall be turned over to the Agent forthwith upon request.

VI Agent Actions

- 6.1 The Debtor hereby authorizes the Agent to:
 - 6.1.1 file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any Permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Agent may deem appropriate to perfect and continue the security constituted hereby, to protect and preserve the Collateral and to realize upon the security constituted hereby and the Debtor hereby irrevocably constitutes and appoints the Agent the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor

whenever and wherever it may be deemed necessary or expedient by the Agent;
and

- 6.1.2 make enquiries from time to time of any governmental authority with respect to the Debtor's compliance with Environmental Laws and the Debtor agrees that the Debtor will from time to time provide to the Agent with such written authorization as the Agent may reasonably require in order to facilitate the obtaining of such information.
- 6.2 The Agent may charge for its reasonable costs incurred in connection with any disclosure requirements under the PPSA.
- 6.3 If the Debtor fails to perform any of its Obligations hereunder, the Agent may, but shall not be obliged to, perform any or all of such Obligations without prejudice to any other rights and remedies of the Agent hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith shall be payable by the Debtor to the Agent forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall form part of the Obligations and constitute a charge upon the Collateral in favour of the Agent prior to all claims subsequent to this General Security Agreement.
- 6.4 The Debtor covenants and agrees that the Agent may, but shall be under no obligation to, at any time or times as the Agent deems necessary and without the concurrence of the Debtor or any other person make such arrangements for the repairing, finishing and putting in order of the Premises, including, without limitation, such repairs, replacements and improvements as are necessary so that the Debtor and the Premises comply with Environmental Laws, and all reasonable costs, charges and expenses including an allowance for the time and services of the Agent, the Agent's servants or agents or any other person or persons appointed for the above purposes including, without limitation, the full amount of all legal fees, disbursements, costs, charges and expenses incurred by the Agent and any amount due hereunder shall be payable forthwith to the Agent, shall be deemed an advance to the Debtor by the Agent, shall be deemed to be Obligations, and shall bear interest at the highest rate per annum from time to time charged by the Agent on any of the other Obligations until paid.

VII **Event of Default**

- 7.1 The Debtor shall be in default under this General Security Agreement, unless otherwise agreed in writing by the Agent, upon the occurrence of an Event of Default.
- 7.2 For the purposes of Section 203 of the *Land Title Act* of British Columbia, the floating charge created by this General Security Agreement over land shall become a fixed charge thereon upon the earliest of:
 - 7.2.1 the occurrence of an Event of Default; or
 - 7.2.2 the Agent taking any action to enforce and realize on the security constituted by this General Security Agreement.

VIII Enforcement

- 8.1 The Agent may make demand for payment at any time of any or all of the Obligations which are payable upon demand (whether or not there is any Event of Default under this General Security Agreement) and, upon any Event of Default under this General Security Agreement, the Agent may declare any or all of the Obligations which are not payable on demand to become immediately due and payable.
- 8.2 Upon an Event of Default under this General Security Agreement, the security hereby constituted will immediately become enforceable.
- 8.3 To enforce and realize on the security constituted by this General Security Agreement the Agent may take any action permitted by law or in equity, as it may deem expedient, and in particular, without limiting the generality of the foregoing, the Agent may do any one or more of the following:
 - 8.3.1 appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is herein called the "**Receiver**") of the Collateral, with or without bond as the Agent may determine, and from time to time in its sole discretion remove such Receiver and appoint another in its stead;
 - 8.3.2 enter upon any of the Premises and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;
 - 8.3.3 preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Agent may deem advisable;
 - 8.3.4 sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Agent may seem reasonable, provided that the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received; and
 - 8.3.5 exercise all of the rights and remedies of a secured party under the PPSA.
- 8.4 A Receiver appointed pursuant to this General Security Agreement shall be the agent of the Debtor and not of the Agent and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Agent hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose from time to time to borrow money either secured or unsecured, and if secured by a security on any of the Collateral, any such security may rank in priority to or *pari passu* with or behind the security constituted by this General Security Agreement, and if it does not so specify such security shall rank in priority to the security constituted by this General Security Agreement.
- 8.5 Subject to applicable law and the claims, if any, of the creditors of the Debtor ranking in priority to the security constituted by this General Security Agreement, all amounts

realized from the disposition of the Collateral pursuant to this General Security Agreement will be applied as the Agent, in its sole discretion, may direct as follows:

Firstly: in or toward payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Agent in connection with or incidental to:

- (1) the exercise by the Agent of all or any of the powers granted to it pursuant to this General Security Agreement, and
- (2) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to the Receiver pursuant to this General Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;

Secondly: in or toward payment to the Agent of all amounts payable in respect of the Obligations, to be applied by the Agent whether on account of principal, interest or otherwise, in such manner, order and priority as the Agent in its sole discretion shall determine,

and the balance thereof, if any, shall, subject to the rights of other creditors, be paid to the Debtor, but no application as aforesaid shall prejudice the right of the Agent to claim against the Debtor for any deficiency.

IX Deficiency

- 9.1 If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full to the Agent and the Lenders, the Debtor will immediately pay to the Agent the amount of such deficiency

X Rights Cumulative

- 10.1 All rights and remedies of the Agent set out in this General Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future general security agreement or now or hereafter existing at law or in equity or pursuant to any other agreement between the Debtor and the Agent or any Lender that may be in effect from time to time.

XI Appointment of Attorney

- 11.1 The Debtor hereby irrevocably appoints the Agent or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Agent or the Receiver, as the case may be, pursuant to this General Security Agreement.

XII Liability of Agent

- 12.1 The Agent shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfillment of contracts during any period when the Agent shall manage the Collateral upon entry or manage the business of the Debtor, as herein provided, nor shall the Agent be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss or realization or for any default or omission for which a mortgagee in possession may be liable.
- 12.2 The Agent shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Agent, in the case of Investment Property, Instruments or Chattel Paper, be obliged to reserve rights against other persons, nor shall the Agent be obliged to keep any of the Collateral identifiable.
- 12.3 The Agent shall not be obliged to inquire into the right of any person purporting to be entitled under the PPSA to information and materials from the Agent by making a demand upon the Agent for such information and materials and the Agent shall be entitled to comply with such demand and shall not be liable for having complied with such demand notwithstanding that such person may in fact not be entitled to make such demand.
- 12.4 The Debtor will indemnify the Agent and the Lenders and hold the Agent and the Lenders harmless from and against any and all claims, costs, losses, demands, actions, causes of action, lawsuits, damages, penalties, judgments and liabilities of whatsoever nature and kind in connection with or arising out of any representation or warranty given by the Debtor, being untrue, the breach of any term, condition, proviso, agreement or covenant to the Agent or the Lenders, or the exercise of any of the rights and or remedies of the Agent or the Lenders, or any transaction contemplated in this General Security Agreement.
- 12.5 The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Agent than provided in this General Security Agreement.
- 12.6 The Debtor shall indemnify, reimburse and save harmless the Agent, the Lenders, any receiver, its directors, officers, employees, agents, and successors and assigns, from any and all liabilities, actions, damages, claims, losses, costs and expenses whatsoever (including without limitation, the full amount of all legal fees, costs, charges and expenses and the cost of removal, treatment, storage and disposal of any Hazardous Materials and remediation of the Premises) which may be paid, incurred or asserted against the Agent or the Lenders for, with respect to or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises or into or upon any other land, the atmosphere or any watercourse, body of water or wetland of any Hazardous Materials.
- 12.7 Any amount owing by the Debtor hereunder shall, from the date of disbursement until the date the Agent receives reimbursement, be deemed advanced to the Debtor by the Agent or the Lenders, shall be deemed to be Obligations and shall bear interest at the highest rate per annum from time to time charged by the Lenders on any of the other Obligations until paid.

- 12.8 The Debtor agrees that the indemnity obligations hereunder shall survive the release of the security of this General Security Agreement and the payment and satisfaction of the indebtedness and liabilities hereby secured.

XIII Appropriation of Payments and Offset

- 13.1 Subject to any applicable provisions of the PPSA, any and all payments made in respect of the Obligations from time to time and monies realized from any security held therefor (including monies collected in accordance with or realized on any enforcement of this General Security Agreement) may be applied to such part or parts of the Obligations as the Agent may see fit, and the Agent may at all times and from time to time change any appropriation as the Agent may see fit or, at the option of the Agent, such payments and monies may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or to the rights of the Agent hereunder.
- 13.2 Without limiting any other right of the Agent, whenever any of the Obligations is immediately due and payable or the Agent has the right to declare any of the Obligations to be immediately due and payable (whether or not it has so declared), the Agent may, in its sole discretion, set off against any of the Obligations any and all monies then owed to the Debtor by the Agent in any capacity, whether or not due and to do so even though any charge therefor is made or entered on the Agent's records subsequent thereto, and the Agent shall be deemed to have exercised such right to set off immediately at the time of making its decision.

XIV Liability to Advance, Etc.

- 14.1 Except to the extent that the Agent or the Lenders:
- 14.1.1 by accepting bills of exchange drawn on it by the Debtor; or
- 14.1.2 by issuing letters of credit or letters of guarantee on the application of the Debtor;
- is required to advance monies on the maturity of such bills or pursuant to such letters of credit or letters of guarantee, as the case may be, none of the preparation, execution, perfection and registration of this General Security Agreement or the advance of any monies shall bind the Agent or the Lenders to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Agent or the Lenders or extend any term for performance or satisfaction of any obligation of the Debtor to the Agent or the Lenders.
- 14.2 Nothing herein contained shall in any way oblige the Agent or the Lenders to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Obligations or any of them.

XV Waiver

- 15.1 No delay or omission by the Agent in exercising any right or remedy hereunder or with respect to any of the Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy.

- 15.2 The Agent may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this General Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be.

XVI Extensions

- 16.1 The Agent and the Lenders may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security, and otherwise deal with the Debtor, Account Debtors of the Debtor, sureties and others and with the Collateral and other security as the Agent may see fit without prejudice to the liability of the Debtor or the Agent's right to hold and realize on the security constituted by this General Security Agreement.

XVII Assignment

- 17.1 The Agent may, subject to the Credit Agreement, at any time, assign or transfer this General Security Agreement and the security constituted hereby.
- 17.2 The Debtor expressly agrees that the assignee or transferee of the Agent shall have all of the Agent's rights and remedies under this General Security Agreement and the Debtor will not assert any defence, counterclaim, right of set-off or otherwise any claim which it now has or hereafter acquires against the Agent in any action commenced by such assignee or transferee, and will pay the Obligations to the assignee or transferee, as the Obligations become due.
- 17.3 The Debtor expressly acknowledges that this General Security Agreement is provided to the Agent in its capacity as administrative and collateral agent under the Credit Agreement for, and for the benefit of, itself and the Lenders.

XVIII Partnership / Joint Venture

- 18.1 If the Collateral or any part thereof is held by the Debtor as a partner of any partnership or as a joint venturer of any joint venture, the charge and security interest created by Article I shall be deemed to be a charge against and a security interest in the interest of any such partnership or joint venture, as the case may be, in the Collateral or such part thereof as well as a charge against and a security interest in the interest of the Debtor in the Collateral, and all covenants and agreements herein contained shall be deemed to be joint and several covenants and agreements of any such partnership or joint venture and of the Debtor.

XIX Satisfaction and Discharge

- 19.1 Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Agent or the Lenders, shall be deemed not to be redemption or discharge of the security constituted by this General Security Agreement.
- 19.2 The Debtor shall be entitled to a full release and discharge of the security constituted by this General Security Agreement upon full payment, performance and satisfaction of all

Obligations, or the securing of the Obligations to the satisfaction of the Agent, and upon written request by the Debtor and payment to the Agent of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Agent in connection with the Obligations and such release and discharge. The Debtor shall be entitled to partial releases of this General Security Agreement from time to time in accordance with the provisions of the Credit Agreement.

XX No Merger

- 20.1 This General Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security in any form held or which may hereafter be held by the Agent or the Lenders from the Debtor or from any other person whomsoever.
- 20.2 The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the terms, conditions, covenants, agreements or provisos contained in this General Security Agreement.
- 20.3 The release and discharge of the security constituted by this General Security Agreement by the Agent shall not operate as a release or discharge of any right of the Agent and the Lenders to be indemnified and held harmless by the Debtor pursuant to clause 12.4 or 12.6 hereof or of any other right of the Agent and the Lenders against the Debtor arising under this General Security Agreement prior to such release and discharge.

XXI Interpretation

- 21.1 In this General Security Agreement:
 - 21.1.1 the invalidity or unenforceability of the whole or any part of any clause shall not affect the validity or enforceability of any other clause or the remainder of such clause;
 - 21.1.2 the headings have been inserted for reference only and shall not define, limit, alter or enlarge the meaning of any provision of this General Security Agreement;
 - 21.1.3 when the context so requires, the singular shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation; and
 - 21.1.4 the terms and conditions contained in the Credit Agreement shall not merge with this General Security Agreement and shall survive the execution and delivery of this General Security Agreement. If there is any conflict or inconsistency between the terms and conditions of this General Security Agreement and the terms and conditions of the Credit Agreement, the terms and conditions contained in the Credit Agreement shall govern and this General Security Agreement shall be deemed to be amended accordingly. Notwithstanding the foregoing, the inclusion of supplemental rights or remedies in favour of the Lender in this General Security Agreement, the Credit Agreement, any commitment, offer of finance or other agreement shall not be deemed a conflict or inconsistency as contemplated herein.

XXII Notice

- 22.1 Whenever either the Agent or the Debtor hereto is required or entitled to notify or direct the other or to make a demand upon or request of the other relating to the Collateral, this General Security Agreement or the PPSA, such notice, direction, demand or request shall be sufficiently given if given in accordance with the Credit Agreement.

XXIII Variation

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

XXIV Enurement

- 24.1 This General Security Agreement shall enure to the benefit of the Agent and its successors and assigns and shall be binding upon the respective heirs, executors, personal representatives, successors and permitted assigns of the Debtor; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

XXV Copy of Agreement and Financing Statement

- 25.1 The Debtor hereby:
- 25.1.1 acknowledges receiving a copy of this General Security Agreement; and
 - 25.1.2 waives all rights to receive from the Agent a copy of any financing statement, financing change statement or verification statement filed at any time or from time to time in respect of this General Security Agreement.

XXVI Governing Law

- 26.1 This General Security Agreement shall be governed by, construed and interpreted in accordance with the laws of the Province and the federal laws of Canada applicable therein.
- 26.2 For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the Province and to be performed there and the courts of the Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Agent from proceeding at its election against the Debtor in the courts of any other Province, country or jurisdiction.

XXVII Counterparts and Facsimile Execution

- 27.1 This General Security Agreement may be executed in one or more counterparts, each of which so executed will constitute an original and all of which will constitute one and the same agreement. This General Security Agreement may be executed by the parties and

transmitted by telecopy, PDF or other forms of electronic communication and if so executed and transmitted, this General Security Agreement will be for all purposes as effective as if the parties had delivered an executed original agreement.

IN WITNESS WHEREOF the Debtor has executed this General Security Agreement as of the day and year first above written.

(For Corporation)


 Officer Signature
 Helen Bougas 
 Name

503-1425 Rene-Levesque West
 Montreal, QC, H3G 1T7
 Address

Vice-President, Legal Affairs
 Occupation

[as to all signatures]

Execution Date

Y	M	D
2023	04	11
2023	04	11

Debtor's Signature
**1075 NELSON DEVELOPMENT
 LIMITED PARTNERSHIP**
 By its general partner
**1075 NELSON DEVELOPMENT GP
 INC.**
 By its authorized signatory:

Per: 
 Name: Kheng Ly
 Title:

**1075 NELSON DEVELOPMENT
 HOLDINGS INC.**
 By its authorized signatory

Per: 
 Name: Kheng Ly
 Title:

Officer Certification:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

SCHEDULE A

(1) The Lands:

The lands and premises located in Vancouver, British Columbia and legally described as:

PID: 031-725-953

Lot A Block 7 District Lot 185 Group 1 New Westminster District Plan EPP118708

(2) Debtor Location and Information for PPSA Purposes:

Legal Name (Include French name if applicable)	Entity Type	Governing Jurisdiction	Registration Number	Registered Office	Head Office	Chief Executive Office
1075 Nelson Development Limited Partnership	BC Partnership	British Columbia	LP0839605	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5
1075 Nelson Development GP Inc.	BC Company	British Columbia	BC1297243	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5
1075 Nelson Development Holdings Inc.	BC Company	British Columbia	BC0979494	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5	2400 – 745 Thurlow Street Vancouver, BC V6E 0C5

This is **Exhibit "E"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**

BENEFICIAL MORTGAGE AND AUTHORIZATION

THIS AGREEMENT dated for reference May 11, 2023.

BY:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP

(the "**Beneficial Owner**")

AND:

1075 NELSON DEVELOPMENT HOLDINGS INC.

(the "**Nominee**")

IN FAVOUR OF:

HSBC BANK CANADA

In its capacity as administrative agent for the Lenders

(the "**Agent**")

WHEREAS:

- A. The Nominee is the registered and legal owner of the Lands and pursuant to the Declaration of Trust holds the Lands as nominee, agent and bare trustee for and on behalf of the Beneficial Owner;
- B. The Beneficial Owner has applied to the Lenders for the Loan Facility in connection with the development of the Lands on the terms and conditions set out in the Credit Agreement;
- C. The Beneficial Owner is the sole beneficial owner of the Lands and, as such, has agreed to confirm that the Nominee is authorized and empowered to charge the Lands and the Collateral as security for the Loan Facility;
- D. As an inducement to the Lenders to make the Loan Facility to the Nominee and the Beneficial Owner and to advance funds thereunder, the Beneficial Owner deems it advisable and necessary and in the best interests of the Beneficial Owner to make and deliver this Agreement; and
- E. The foregoing recitals are made as representations and statements of fact by the Beneficial Owner and the Nominee and not by the Agent.

NOW THEREFORE, in consideration of the premises and of the advance of the Loan Facility or any part thereof by the Agent to the Beneficial Owner and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged) the parties covenant and agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions

In this Agreement capitalized terms not otherwise defined herein have the same meaning set forth in the Credit Agreement and the following terms mean as follows:

- (a) **"Agreement"** means this Agreement as amended and supplemented and in effect from time to time;
- (b) **"Collateral"** means all present and future personal property of the Nominee or the Beneficial Owner located on or related in any way to, or used or acquired for or in connection with or derived from the acquisition, ownership, development, renovation, leasing or operation of the Lands or the Project or any part thereof, and all substitutions and replacements therefor and proceeds thereof and therefrom including, without limitation, all accounts, chattel paper, documents of title, equipment, fixtures, goods, instruments, intangibles, inventory, money and investment property (as each such term is defined in the *Personal Property Security Act (British Columbia)*) with respect thereto;
- (c) **"Credit Agreement"** means the credit agreement dated May 11, 2023 between the Lenders, the Agent, the Beneficial Owner and the Nominee with respect to the Loan Facility, as the same may from time to time be supplemented, amended, restated or replaced and in effect;
- (d) **"Declaration of Trust"** means the Declaration of Bare Trust & Agency Agreement made between the Nominee as nominee, agent and bare trustee and the Beneficial Owner as beneficiary dated April 29, 2021, as amended from time to time, with respect to the Lands;
- (e) **"General Security Agreement"** means the general security agreement granted by the Beneficial Owner and the Nominee in favour of the Agent charging the Collateral;
- (f) **"Lands"** means the lands and premises legally described in Schedule A attached hereto;
- (g) **"Lenders"** means HSBC Bank Canada, Bank of Montreal and any financial institution or institutions from time to time that become a lender pursuant to the Credit Agreement and their respective successors and assigns;
- (h) **"Loan Facility"** means the committed land loan facility to be made by the Lenders to the Nominee and the Beneficial Owner pursuant to the Credit Agreement;
- (i) **"Loan Indebtedness"** means any and all indebtedness, liabilities and obligations from time to time of the Beneficial Owner to the Agent or any Lender arising out of, in connection with or in any way relating to the Loan Facility, the Credit Agreement or any of the Security Documents;

- (j) **"Mortgage"** means the mortgage in the principal amount of \$90,000,000 to be granted by the Nominee in favour of the Agent and creating a first mortgage of the Lands and an assignment of the rents therefrom;
- (k) **"Project"** mean the buildings and other improvements located upon and/or to be constructed on the Lands as described in the Credit Agreement; and
- (l) **"Security Documents"** means the Mortgage, the General Security Agreement and any other agreement, instrument, security or other obligation which the Agent or any Lender may require or consider necessary heretofore, now or hereafter created and issued, granted or made by the Beneficial Owner, the Nominee or any other person in favour of the Agent or any Lender in connection with the Lands, the Collateral, the Credit Agreement or the Loan Facility, as the same may from time to time be supplemented or amended and in effect.

ARTICLE 2 - REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties

Each of the Beneficial Owner and the Nominee makes the following representations and warranties to the Agent:

- (a) the Nominee has full power and authority to transact the business of the Beneficial Owner with respect to the Lands and the Collateral including the operation, development, subdivision, maintenance and leasing thereof and the sale of any lots or strata lots comprising the Lands, and to otherwise deal with the property of the Beneficial Owner with respect to the Lands and the Collateral;
- (b) the Nominee has full power and authority to hold the Lands and the Collateral in trust for the Beneficial Owner and to mortgage the Lands and the rents and leases with respect thereto and charge and grant a security interest in the Collateral to secure the Loan Indebtedness;
- (c) the Nominee has full power and authority to execute and deliver, and to perform its obligations under, each of the Credit Agreement, the Security Documents, each and every lease of the Lands or part thereof and each and every agreement, transfer or contract in connection with the sale of the lots or strata lots comprising the Lands;
- (d) the Beneficial Owner has full power and authority to borrow the Loan Facility, to enter into this Agreement and to grant the security interests hereby created and to authorize and direct the Nominee to enter into the Credit Agreement and each of the Security Documents;
- (e) the Beneficial Owner has full power and authority to execute and deliver and to perform its obligations under the Credit Agreement and each of the Security Documents;
- (f) pursuant to the Declaration of Trust, the Nominee holds title to the Lands as a nominee, agent and bare trustee in trust for and on behalf of the Beneficial Owner.

- (g) the Declaration of Trust has not been amended, replaced or terminated and remains in full force and effect and constitutes the entire agreement with respect to the ownership of the Lands;
- (h) the Beneficial Owner is the sole beneficial owner of the Lands and the Collateral and neither the Nominee nor the Beneficial Owner has sold, transferred, assigned, mortgaged, pledged, hypothecated, leased or otherwise disposed of the whole or any part of its right, title and interest therein except in favour of the Agent pursuant to the Security Documents or pursuant to or in connection with any Permitted Encumbrances; and
- (i) there are no environmental risks or liabilities with respect to the Lands known to the Beneficial Owner which have not been disclosed in writing prior to the date hereof to the Agent.

ARTICLE 3 – POSTPONEMENT AND ASSIGNMENT

3.1 Postponement of Indebtedness

The Beneficial Owner hereby postpones the payment of all indebtedness and liability, present or future, of the Nominee to the Beneficial Owner to the prior payment and satisfaction in full of all indebtedness and liability of the Nominee and the Beneficial Owner to the Agent and the Lenders, including the Loan Indebtedness, and, in particular, without limiting the generality of the foregoing, the Beneficial Owner waives, in favour of the Agent and the Lenders, any right of offset as against the Nominee. Until the payment of all such indebtedness and liability to the Agent and the Lenders, the Beneficial Owner further covenants and agrees with the Agent that, unless otherwise consented to in writing by the Agent, any funds received by the Beneficial Owner in contravention of this Agreement shall be held and shall be deemed to be held by the Beneficial Owner in trust for the Agent and shall be paid over to the Agent forthwith upon demand.

3.2 Postponement of Interest

The Beneficial Owner covenants and agrees with the Agent that any and all interest that it has or may acquire in the Lands, the Project and the Collateral shall at all times be postponed, subordinated and subject to the interest of the Agent in the Lands, the Project and the Collateral and to the Security Documents and shall be subordinate to any indebtedness of the Nominee and the Beneficial Owner to the Agent and the Lenders.

ARTICLE 4 - AUTHORIZATION OF NOMINEE AND GRANT OF EQUITABLE CHARGE AND SECURITY INTEREST

4.1 Authorization of Nominee

The Beneficial Owner hereby under seal irrevocably consents to and authorizes, directs and empowers the Nominee as bare trustee and nominee for and on behalf of the Beneficial Owner, to:

- (a) execute and deliver the Credit Agreement and to execute and deliver to the Agent, as security for the payment of the Loan Indebtedness, each of the Security Documents to which the Nominee is a party and to perform and observe each of its obligations and covenants thereunder;

- (b) assign, grant, mortgage, pledge, charge and grant a security interest in and to and in favour of the Agent of all the legal and beneficial estate, right, title, interest and claim of the Nominee and the Beneficial Owner in and to the Lands and the Collateral as security for payment of the Loan Indebtedness on and subject to the terms and conditions of the Security Documents; and
- (c) transact the business of the Beneficial Owner with respect to the Lands including the operation, development, subdivision, maintenance and leasing thereof and the sale of any lots or strata lots comprising the Lands, and to execute and deliver each lease of the Lands or part thereof and each agreement, transfer or contract in connection with the sale of the lots or strata lots comprising the Lands.

4.2 Charge

As security for the due and punctual payment and performance of the Loan Indebtedness to the Agent and the Lenders, the Beneficial Owner hereby:

- (a) declares and confirms that upon execution by the Nominee, each of the Security Documents to which the Nominee is a party will be effective to assign, grant, mortgage, pledge, charge and grant a security interest with respect to the Nominee's right, title and interest in and to the Lands and the Collateral as nominee, agent and bare trustee and the right, title and interest of the Beneficial Owner therein as the beneficial owner thereof; and
- (b) for greater certainty and in addition to the charges created by the creation, issuance, execution and delivery by the Nominee of the Security Documents, assigns, grants, mortgages, pledges and charges and grants a security interest in and to and in favour of the Agent, its successors and assigns forever, all of the beneficial estate, right, title, interest and claim of the Beneficial Owner in and to the Lands and the Collateral on and subject to the same terms and conditions as the Security Documents.

4.3 Covenant

Each of the Beneficial Owner and the Nominee unconditionally, absolutely and irrevocably, covenants and agrees to make to the Agent the full and punctual payment when due, whether at stated maturity, by reason of acceleration or demand or otherwise, of any and all of the Loan Indebtedness. In addition, the Beneficial Owner agrees to be jointly and severally liable with the Nominee for all obligations, covenants, representations and indemnities of the Nominee in the Credit Agreement and the Security Documents as if it executed same itself.

4.4 Attachment

The Beneficial Owner acknowledges and agrees that the security interests hereby created attach upon the execution of this Agreement (or in the case of any after-acquired property, upon the date of acquisition thereof), that value has been given, and that the Beneficial Owner has, or in the case of after-acquired property will have, rights in the Collateral

4.5 No Amendment

The Beneficial Owner covenants and agrees with the Agent that unless it has obtained the prior written consent of the Agent, such consent not to be unreasonably withheld, it will not:

- (a) amend, replace or terminate the Declaration of Trust;
- (b) sell, transfer, assign, mortgage or otherwise dispose of any shares of the Nominee or the whole or any part of its right, title and interest in and to the Lands, the Project or the Collateral;
- (c) authorize or permit the Nominee to issue any additional shares in the capital stock of the Nominee to any person not a shareholder thereof as of the date of this Agreement; or
- (d) permit any change in control or ownership of the shares of the Nominee.

4.6 No Inquiry

The Beneficial Owner agrees that the Agent is not obliged at any time to inquire into the power exercised by the Nominee from time to time or to confirm any such exercise of power with the Beneficial Owner in any matter arising with respect to the Lands, the Collateral or the Loan Facility.

ARTICLE 5 - ENFORCEMENT

5.1 Enforcement

At any time after the occurrence of an event of default under any of the Security Documents the Agent at its option may proceed to enforce and realize upon all or any part of the security constituted hereby or all or any part of the Lands and the Collateral and may exercise any or all of the rights and remedies contained in the Security Documents or otherwise permitted by law or in equity, as it may deem expedient. The Agent, at its sole and uncontrolled discretion, may enforce this Agreement against any party hereto without being obliged to enforce this Agreement against any other party hereto.

ARTICLE 6 - MISCELLANEOUS

6.1 Failure or Indulgence Not Waiver

No failure or delay on the part of the Agent in the exercise of any power, privilege or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, privilege or right preclude any other or further exercise of any such power, privilege or right. Each power, privilege and right hereunder is cumulative with, and not exclusive of, any power, privilege or right otherwise available.

6.2 Modification of Agreement

No alteration, modification or waiver of this Agreement or any condition, covenant, provision or term contained herein shall be binding on the Agent unless made in writing and signed by the Agent.

6.3 Entire Agreement

Upon the execution and delivery by a party of this Agreement, this Agreement shall be deemed to be finally executed and delivered by such party to the Agent as of the date hereof and shall not be subject to or affected by any condition as to the receipt by the Agent of any other security for any of the Loan Indebtedness or as to the execution and delivery by any other party or other person to the Agent of any agreement, guarantee or other instrument, including this Agreement, or by any promise or condition affecting or limiting the liability of the party except as set forth herein and no agreement, promise, representation or statement on the part of the Agent or any officer, employee or agent thereof unless contained herein forms any part of this Agreement or has induced the making hereof or shall be deemed to affect the liability of any party hereunder.

6.4 Severability

If any provision of this Agreement or any part thereof shall be found or determined to be invalid, illegal or unenforceable, such provision or such part thereof shall be severable from this Agreement and the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable provision or part had been deleted herefrom.

6.5 Effect

The provisions of this Agreement shall be in addition to and not in substitution for the provisions of the Security Documents or any other security or evidence of liability held by the Agent, all of which shall be construed as complementary to each other. Nothing contained herein shall prevent the Agent from enforcing any guarantee of the Loan Indebtedness or any of the Security Documents, or other security or evidence of liability in accordance with its terms.

6.6 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the Agent, the Beneficial Owner and the Nominee and their respective heirs, executors, administrators, successors (whether by amalgamation or otherwise) and assigns.

6.7 Joint and Several

If this Agreement is executed by more than one person as Beneficial Owner then each covenant of the Beneficial Owner hereunder shall be deemed for all purposes to be a covenant of the persons who comprise the Beneficial Owner and each of them, and the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Beneficial Owner shall include each and every such person severally and all covenants and agreements herein contained on the part of the Beneficial Owner shall be deemed to be the joint and several covenants of each such person respectively.

6.8 Notices

Any notice or other communication required or permitted hereunder shall be made in accordance with the Credit Agreement.

6.9 Applicable Law

This Agreement and the rights and obligations of the parties shall be governed by and be construed and interpreted according to the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

6.10 Interpretation

For the purposes of this Agreement, all references to the singular shall be construed to include the plural where the context so admits, the masculine to include the feminine and neuter gender and, where necessary, a body corporate, and vice versa.

6.11 Time of the Essence

Time is of the essence of this Agreement.

6.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A facsimile, PDF electronic or similar form of any party's signature hereto will be effective as an original form of such signature.

6.13 No Merger

The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any liability, obligation or covenant of the Beneficial Owner or the Nominee hereunder, or under any of the Credit Agreement, the Security Documents or any other securities of any form held or which may be held hereafter by the Agent or any Lender from any Beneficial Owner, the Nominee or any guarantor or from any other person or persons whomsoever.

6.14 Joint Venture

If the Lands, the Collateral or any part thereof is held by the Beneficial Owner as a partner of any partnership or as a joint venturer of any joint venture, the mortgage, pledge, charge and security interest created by Section 4.2 shall be deemed to be a mortgage, pledge and charge of, and a security interest in, the interest of any such partnership or joint venture, as the case may be, in the Lands, the Collateral or such part thereof as well as a mortgage, pledge, charge of, and a security interest in, the interest of the Beneficial Owner in the Lands and the Collateral, and all covenants and agreements herein contained shall be deemed to be joint and several covenants and agreements of any such partnership or joint venture and of the Beneficial Owner.

6.15 Delivery of Copy/Waiver

The Beneficial Owner hereby acknowledges receiving a copy of this Agreement and waives all rights to receive from the Agent a copy of any financing statement, financing change statement or verification statement filed at any time in respect of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed as of the day and year first above written.

The Beneficial Owner:

**1075 NELSON DEVELOPMENT LIMITED
PARTNERSHIP**

By its general partner

1075 NELSON DEVELOPMENT GP INC.

By its authorized signatory:

The Nominee:

**1075 NELSON DEVELOPMENT
HOLDINGS INC.**

By its authorized signatory:

Per: Kheng Ly
Name: Kheng Ly
Title: President

Per: Kheng Ly
Name: Kheng Ly
Title: President

SCHEDULE A**THE LANDS:**

The lands and premises located in Vancouver, British Columbia and legally described as:

PID: 031-725-953

Lot A Block 7 District Lot 185 Group 1 New Westminster District Plan EPP118708

This is **Exhibit "F"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**

GUARANTEE

Guarantee dated for reference May 11, 2023 made by **1075 NELSON DEVELOPMENT GP INC., 1075 NELSON DEVELOPMENT HOLDINGS INC., BRIVIA FAMILY INVESTMENTS INC.** and **KHENG LY** (individually and collectively, the "**Guarantor**") to and in favour of **HSBC BANK CANADA**, in its capacity as administrative and collateral agent for the Lenders (the "**Agent**").

WHEREAS:

- A. The Lenders have agreed to make available to 1075 Nelson Development Limited Partnership (the "**Borrower**") certain credit facilities in the aggregate principal amount of \$75,000,000 (the "**Loan**") pursuant to a credit agreement dated May 11, 2023 between the Borrower, the Agent, the Lenders and the Guarantor (as the same may be supplemented, amended, restated or replaced from time to time, the "**Credit Agreement**") and
- B. The Lenders require, as a condition precedent to making the Loan available to the Borrower, that the Guarantor execute and deliver this guarantee.

NOW THEREFORE, in consideration of the foregoing premises, the agreement of the Lenders to make the Loan available to the Borrower, the sum of \$10.00 in lawful money of Canada now paid by the Agent to the Guarantor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby agrees as follows:

1 Interpretation

- (a) Terms defined in the Credit Agreement and not otherwise defined in this guarantee shall have the same meaning herein, unless there is something in the subject matter or context inconsistent therewith.
- (b) In this guarantee, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the following meanings:

"**Event of Default**" means a breach or default in any term or provision of the Loan Documents;

"**Guaranteed Indebtedness**" has the meaning set forth in section 2;

"**Lenders**" means HSBC Bank Canada, Bank of Montreal and any financial institution or institutions from time to time that become a lender pursuant to the Credit Agreement, and their respective successors and assigns; and

"**Loan Documents**" means, collectively, the Credit Agreement and the Security Documents.

- (c) As used herein, each gender shall include all genders, and the singular shall include the plural and the plural the singular, as the context shall require.
- (d) In this guarantee:

- (i) reference to any body corporate shall include successors thereto, whether by way of amalgamation or otherwise;
 - (ii) reference to any statute, enactment or legislation or to any section or provision thereof shall include a reference to any order, ordinance, regulation, rule or by-law or proclamation made under or pursuant to that statute, enactment or legislation and all amendments, modifications, consolidations, re-enactments or replacements thereof or substitutions therefor from time to time; and
 - (iii) reference to any agreement, instrument, consent or other document shall include reference to such agreement, instrument, consent or other document as the same may from time to time be amended, supplemented or restated.
- (e) The division of this guarantee into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

2. Guarantee.

The Guarantor hereby irrevocably and unconditionally, guarantees the due and punctual payment to the Agent and the Lenders, whether upon demand or at stated maturity, by reason of acceleration or otherwise, of all indebtedness of the Borrower to the Agent or any Lender now or hereafter existing in respect of the Loan or the Loan Documents, whether for principal, interest, bonus, fees, expenses, indemnity or otherwise, and any and all out-of-pocket expenses (including counsel fees and disbursements on a solicitor and his own client basis) incurred by the Agent in enforcing any rights under this guarantee (such indebtedness being herein called the **"Guaranteed Indebtedness"**).

3. Absolute Liability.

This guarantee is absolute, unconditional and continuing and the liability of the Guarantor under this guarantee applies to and secures all or any portion of the Guaranteed Indebtedness remaining unpaid from time to time, and will not be released, lessened or adversely affected by anything whatsoever, including any of the following:

- (a) If the Borrower is a corporation:
 - (i) any change in the directors, shareholders, name, objects, share capital, charter, memorandum, articles or other organizational documents of the Borrower, or
 - (ii) the amalgamation of the Borrower with any other corporation, or
 - (iii) the continuance of the Borrower, or
 - (iv) the winding-up, liquidation or dissolution of the Borrower;
- (b) if the Borrower is a partnership, any change in the composition of the partnership or any change in the number of partners or any change in the management of the partnership;

- (c) the bankruptcy or insolvency of the Borrower or of the Guarantor, or the commencement and conclusion of proceedings by the Borrower pursuant to the *Companies' Creditors Arrangement Act*;
- (d) that the liabilities incurred by the Borrower in connection with the Loan were incurred irregularly, defectively or informally or in excess of the powers of the Borrower or of its directors or other agents in spite of the fact that the Agent or the Lenders may have had specific notice of the extent of the relevant powers of the Borrower or of its directors or agents;
- (e) the inability of the Agent or the Lenders by reason of law or otherwise to enforce any Loan Document, or any of the terms, conditions or other provisions contained in any Loan Document against the security which is subject to such Loan Document or against the Borrower or any other person;
- (f) the renewal or novation of the Loan or of any agreement or Loan Document in respect of the Loan;
- (g) that the obligations of the Borrower to the Lenders in respect of the Loan or any security in respect thereof may be invalid, void, voidable or unenforceable;
- (h) the release in whole or in part of any security given by the Borrower or any other person to the Agent or the Lenders;
- (i) the sale by the Borrower of any of the Borrower's assets, including any assets mortgaged, pledged or charged as security for the Loan;
- (j) the failure of any proper signatory or signatories to execute this Guarantee;
- (k) if more than one person constitutes the Guarantor, the release by the Agent of any of those persons from their obligations under this guarantee (and this guarantee will remain a valid and enforceable obligation of the persons not released by the Agent);
- (l) that the Agent or the Lenders may have:
 - (i) granted time or other indulgences to the Borrower or any other person liable to the Lenders in respect of the Loan;
 - (ii) accepted any compromise, composition, proposal or arrangement offered by the Borrower or any other person liable to the Agent or the Lenders;
 - (iii) given up, modified, exchanged, renewed or abstained from perfecting or taking advantage of any security or securities in whole or in part now or hereafter held by the Agent or the Lenders in respect of the Loan; or
 - (iv) agreed with the Borrower to renew, or to amend and vary, the interest rate and terms of repayment of the Loan; or
- (m) the partial payment by the Borrower or any other person of the Guaranteed Indebtedness, and the Guarantor will not be entitled to claim in reduction of its

liabilities under this guarantee any such payment from the full amount of the Guaranteed Indebtedness.

4. Remedies.

The Guarantor agrees that the Agent shall not be bound to seek or exhaust its recourses against the Borrower or any other person or to realize on any security it may hold in respect of the Guaranteed Indebtedness before being entitled to payment hereunder. Should the Agent elect to realize on any security it may hold, either before, concurrently with or after demand for payment under this guarantee, the Guarantor shall have no right of discussion or division.

5. Impairment of Security.

Any loss or impairment of any security received by the Agent or the Lenders from the Borrower or any other person pursuant to the provisions of the Loan Documents or otherwise shall not discharge pro tanto or limit or lessen the liability of the Guarantor under this guarantee.

6. No Prejudice to the Agent.

The Agent shall not be prejudiced in any way in the right to enforce any provision of this guarantee by any act or failure to act on the part of the Borrower. The Agent or the Lenders may, at any time and from time to time, without any consent of or notice to the Guarantor and without impairing or releasing the Guarantor from its obligations hereunder (i) change the manner, place or terms of payment or change or extend time of payment of, or renew or alter, the Guaranteed Indebtedness, (ii) release anyone liable in any manner under or in respect of the Guaranteed Indebtedness, (iii) exercise or refrain from exercising any rights against the Borrower or the Guarantor or any other person, and (iv) apply any sums from time to time received on account of the Guaranteed Indebtedness to the Guaranteed Indebtedness.

7. Payment on Demand.

The Guarantor shall make payment to the Agent of the amount of the Guaranteed Indebtedness forthwith after same shall have become due and payable and demand therefor is made in writing to it. The indebtedness of the Guarantor hereunder shall bear interest from the date of such demand to the date of payment thereof in full at the rate or rates of interest applicable under, and calculated in the manner provided in, the Credit Agreement in respect of overdue amounts.

8. Amount of Guaranteed Indebtedness.

Any account settled or stated by or between the Agent or the Lenders and the Borrower, or if any such account has not been so settled or stated immediately before demand for payment under this guarantee, any account thereafter stated by the Agent, shall, in the absence of manifest error, be accepted by the Guarantor as conclusive evidence of the amount of the Guaranteed Indebtedness which at the date of the account so settled or stated is due by the Borrower to the Agent or remains unpaid by the Borrower to the Agent.

9. No Set-Off.

To the fullest extent permitted by Legal Requirement, the Guarantor shall make all payments hereunder without regard to any defence, counter-claim or right of set-off available to it.

10. Assignment and Postponement.

All present and future indebtedness and liability of the Borrower to the Guarantor and all security for that future indebtedness and liability (collectively, the "**Postponed Debt**") is assigned to the Agent as security for the Guaranteed Indebtedness, and the Postponed Debt is postponed to the Guaranteed Indebtedness, and all monies received by the Guarantor in respect of the Postponed Debt will be received in trust for and will be paid over to the Agent forthwith, provided, however, until demand or the occurrence of an Event of Default, the Guarantor may receive any payments in respect of the Postponed Debt as permitted under the Credit Agreement. The Guarantor will not:

- (a) purport to release or withdraw the Postponed Debt;
- (b) permit the prescription of the Postponed Debt by any statute of limitation; or
- (c) ask for or obtain any security or negotiable paper for or other evidence of the Postponed Debt except to deliver it to the Agent.

Following demand or the occurrence of an Event of Default, or an acceleration of the Borrower's obligations pursuant to any Loan Document, the Agent is entitled to receive payment in full in cash in respect of the indebtedness of the Borrower (including interest accruing after, or which would accrue but for, the commencement of any proceeding at the rate specified in the Credit Agreement or applicable Security Document, whether or not a claim for the interest would be allowed) before the Guarantor is entitled to receive any payment or distribution in respect of the Postponed Debt, and no payments will be made, given or permitted, directly or indirectly, by set-off, redemption, purchase or in any other manner, as payment of or security for the whole or any part of the Postponed Debt. If a payment or distribution is made to the Guarantor in contravention of this Section, the Guarantor will hold that payment in trust for the Agent and will immediately pay over and deliver that payment to the Agent.

11. Subrogation and Repayment.

Upon receipt by the Agent of any payments on account of liability under this guarantee, whether by realization on security or otherwise, the Guarantor shall not be entitled to claim repayment against the Borrower for such payments until the Agent's and the Lenders' claims against the Borrower in respect of the Guaranteed Indebtedness have been repaid in full. In the case of the liquidation, winding-up or bankruptcy of the Borrower (whether voluntary or compulsory) or in the event that the Borrower shall make a bulk sale of any of the Borrower's assets within the provisions of any bulk sales legislation or any composition with creditors or scheme of arrangement, the Agent shall have the right to rank in priority to the Guarantor for the full claims of the Agent and the Lenders in respect of the Guaranteed Indebtedness and receive all dividends or other payments in respect thereof until its claims in respect of the Guaranteed Indebtedness have been paid in full and the Guarantor shall continue to be liable, less any payments made by or on behalf of the Guarantor, for any balance which may be owing to the Agent and the Lenders by the Borrower. In the event of the valuation by the Agent of any of its security or the retention thereof by the Agent, or both, such valuation or retention, or both, shall not, as between the Agent and the Guarantor, be considered as a purchase of such security, or as payment or satisfaction or reduction of the Guaranteed Indebtedness, or any part thereof. If any amount shall be paid to the Guarantor on account of any subrogation rights at any time when all the Guaranteed Indebtedness shall not have been paid in full, such amount shall be received in trust by the Guarantor for the benefit of the Agent on behalf of the Lender and shall forthwith be paid to the

Agent to be credited and applied upon the Guaranteed Indebtedness, whether matured or unmatured.

12. No Recourse Against Agent.

Any right of subrogation acquired by the Guarantor by reason of payment under or pursuant to this guarantee shall not be exercised until the Guaranteed Indebtedness has been paid or otherwise satisfied in full and shall be no greater than the right held by the Agent, and the Guarantor shall have no recourse against the Agent for any invalidity, non-perfection or unenforceability of any security held by the Agent or any irregularity or defect in the manner or procedure by which the Agent realizes on such security.

13. Continuing Guarantee.

This guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Indebtedness is rescinded or must otherwise be returned by the Agent upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

14. Representations.

There are no other representations, collateral agreements or conditions with respect to this Instrument or affecting the Guarantor's liability hereunder other than as contained or referred to herein or in the Credit Agreement.

15. Supplemental Security.

This guarantee is in addition and without prejudice to and supplemental to all other guarantees and securities held, or which may hereafter be held, by or for the Agent or any Lender.

16. *Interest Act (Canada).*

For purposes of the *Interest Act (Canada)*, the Guarantor hereby acknowledges that the rate or rates of interest applicable to the Guaranteed Indebtedness shall be computed and shall be paid at the times and in the manner set forth in the Credit Agreement, receipt of a copy of which is acknowledged by the Guarantor.

17. Successors, etc.

This guarantee shall not be discharged or affected by the death of the Guarantor or any of them, if more than one, and shall extend to and enure to the benefit of the Agent and its successors and assigns and shall be binding upon the Guarantor and its heirs, executors, administrators, legal representatives, successors and permitted assigns. The Guarantor may not assign any of its obligations under this guarantee without the prior written consent of the Agent.

18. Notices.

All notices, demands and other communications hereunder or pursuant hereto shall be made in accordance with the Credit Agreement.

19. Severability.

The provisions of this guarantee are intended to be severable. If any provision of this guarantee shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

20. Further Assurances.

The Guarantor shall from time to time do all such acts and things and execute and deliver all such deeds, transfers, assignments and instruments as the Agent may reasonably require for carrying out the provisions and intent hereof.

21. Governing Law.

This guarantee shall be governed by, construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract.

22. Attornment.

The Guarantor hereby irrevocably submits to the jurisdiction of the courts of British Columbia in any action or proceeding arising out of or relating to this guarantee and hereby irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. The Guarantor hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceeding. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

23. Joint and Several.

If this guarantee is executed by more than one person as Guarantor then each covenant of the Guarantor hereunder shall be deemed for all purposes to be a covenant of the persons who comprise the Guarantor and each of them, and the provisions hereof shall be read with all grammatical changes thereby rendered necessary and each reference to the Guarantor shall include each and every such person severally and all covenants and agreements herein contained on the part of the Guarantor shall be deemed to be the joint and several covenants of each such person respectively.

24. Copy of Guarantee and Financing Statement

The Guarantor hereby: (i) acknowledges receiving a copy of this Guarantee, and (ii) waives all rights to receive from the Agent a copy of any financing statement, financing change statement or verification statement filed at any time or from time to time in respect of this Guarantee.

25. Independent Legal Advice

The Guarantor acknowledges having obtained its own independent legal advice with respect to the terms of this guarantee prior to its execution.

IN WITNESS WHEREOF the Guarantor has duly executed this guarantee as of the date set forth on page 1.

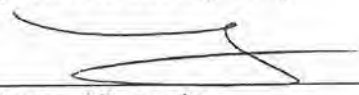
1075 NELSON DEVELOPMENT GP INC.

By its authorized signatory:


Name: Kheng Ly


1075 NELSON DEVELOPMENT HOLDINGS INC.

By its authorized signatory:

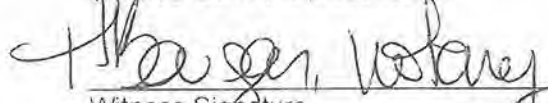

Name: Kheng Ly

BRIVIA FAMILY INVESTMENTS INC.

By its authorized signatory:


Name: Kheng Ly


SIGNED, SEALED and DELIVERED by
KHENG LY in the presence of:


Witness Signature

503-1425 Rene-Levesque West
Montreal, QC, H3G 1T7
Address

Vice-President, Legal Affairs

Occupation


KHENG LY

This is **Exhibit "G"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**

DEBT SERVICE AGREEMENT

THIS AGREEMENT dated for reference May 11, 2023,

BY:

**1075 NELSON DEVELOPMENT GP INC.
1075 NELSON DEVELOPMENT HOLDINGS INC.
BRIVIA FAMILY INVESTMENTS INC.
KHENG LY**

(individually and collectively, the "**Guarantor**")

IN FAVOUR OF:

HSBC BANK CANADA, in its capacity as administrative and collateral agent for the Lenders

(the "**Agent**")

WHEREAS:

- A. The Lenders have agreed to make available the Loan to the Borrower on the terms and conditions set out in the Credit Agreement.
- B. It is a condition of the Credit Agreement that this Agreement be executed and delivered by the Guarantor.

NOW THEREFORE this Agreement witnesses that in consideration of the foregoing and the sum of \$10.00 now paid by the Agent to the Guarantor (the receipt and sufficiency of which are hereby acknowledged by the Guarantor) the Guarantor hereby and irrevocably and unconditionally, covenants to and agrees with the Agent as follows.

1. INTERPRETATION

1.1 Definitions

Where used in this Agreement, the following words shall have the meanings set out below:

- (a) "**Agreement**" means this Agreement as amended and supplemented in writing from time to time;
- (b) "**Borrower**" means 1075 Nelson Development Limited Partnership, and its successors and permitted assigns;
- (c) "**Credit Agreement**" means the credit agreement dated May 11, 2023 between the Lenders, the Agent, the Borrower, the Guarantor, and the Nominee, as amended, restated, supplemented or replaced from time to time;
- (d) "**Debt Servicing Costs**" mean all interest, finance charges, fees and other debt servicing costs paid or payable by the Borrower in connection with the Loan or the Credit Agreement;

- (e) **"Enforcement Costs"** has the meaning set forth in Section 3.6;
- (f) **"Guarantee"** means any and all guarantees, indemnities, or other similar agreements made by the Guarantor in favour of the Agent or any Lender in respect of the Loan Indebtedness, including the guarantee dated concurrently with this Agreement, but does not include this Agreement;
- (g) **"Lands"** means the lands and premises legally described as Parcel Identifier: 031-725-953, Lot A Block 7 District Lot 185 Group 1 New Westminster District Plan EPP118708;
- (h) **"Lenders"** means HSBC Bank Canada, Bank of Montreal and any financial institution or institutions from time to time that become a lender pursuant to the Credit Agreement and each of their respective successors and assigns;
- (i) **"Loan"** means the credit facilities in the aggregate amount of up to \$75,000,000 established by the Lenders in favour of the Borrower in connection with the development of the Lands and made pursuant to the provisions of the Credit Agreement;
- (j) **"Loan Indebtedness"** means all indebtedness, liability and obligations of the Borrower to the Lenders and the Agent with respect to the Loan, the Credit Agreement and the Security Documents;
- (k) **"Nominee"** means 1075 Nelson Development Holdings Inc., and its successors and permitted assigns;
- (l) **"Security Documents"** means the security documents provided now or at any time hereafter by any person to the Agent or the Lenders pursuant to the Credit Agreement.

Capitalized terms not otherwise defined herein have the same meaning as in the Credit Agreement.

2. COVENANTS OF THE GUARANTOR

2.1 Payment of Debt Servicing Costs

If at any time or from time to time the Borrower fails to pay any Debt Servicing Costs when the same become due under the Credit Agreement or any Security Document, the Guarantor forthwith on demand by the Agent shall pay to the Agent or shall advance from time to time to the Borrower such funds as are required to ensure full payment by the Borrower of such Debt Servicing Costs.

2.2 Continuing Obligations

The obligations of the Guarantor under Section 2.1 shall be continuing obligations in favour of the Agent which shall not be terminated by reason of a demand being made by the Agent hereunder or under the Credit Agreement, the Guarantee or any other Security Document and the Agent shall be entitled to demand and redemand under each of such Sections from time to time and at any time until Construction Completion is achieved and the Loan Indebtedness has been paid and satisfied in full.

2.3 Records Conclusive

The records of the Agent shall be conclusive evidence of the amount of the Debt Servicing Costs payable from time to time, and of the failure of the Borrower to pay any Debt Servicing Costs when the same becomes due under the Credit Agreement and the Security Documents.

2.4 Liability

The liability of the Guarantor hereunder is in addition to the liability of the Guarantor under the Guarantee and shall bear interest from the date of demand hereunder to the date of payment in full at the rate of interest applicable under and calculated in the manner provided in the Credit Agreement in respect of overdue amounts. The rights of the Agent hereunder shall not be affected in any way by any limitation on the liability of the Guarantor, under the Guarantee or any other Security Document.

3. MISCELLANEOUS

3.1 Agreement not in Substitution

This Agreement shall be in addition to and not in substitution for the Guarantee, any other Security Document, or any other security now held or hereinafter acquired by the Agent or the Lenders from the Borrower, the Guarantor or any other person in connection with the Loan or the Credit Agreement, and the Agent and the Lenders may do all or any of the following:

- (a) grant time, renewals, extensions, indulgences, discharges to;
- (b) take securities from;
- (c) abstain from taking additional security from;
- (d) abstain from perfecting securities from;
- (e) accept compositions from; and
- (f) otherwise deal with;

the Guarantor, the Borrower and all other persons and securities, including the above-referenced security documents as the Agent may see fit without prejudice to the rights of the Agent under this Agreement, the Credit Agreement, the Guarantee, the Security Documents or any other securities.

3.2 Not Bound to Exhaust Recourse

The Agent shall not be bound to seek or exhaust its recourse against the Borrower, any guarantor or any other person or to realize on any of the Security Documents it may hold, or any other security before requiring payment from the Guarantor hereunder, and the Agent may enforce the various remedies available to it and may realize upon the various securities or any part thereof in such order as the Agent may determine.

3.3 Not Conditional on Execution by all Parties

The execution and delivery of this Agreement by the Guarantor is expressly not conditional upon the execution of this Agreement by any other party (even if such party is referred to as a Guarantor on page one or on the execution page hereof) and this Agreement shall be binding upon each Guarantor who signs this Agreement notwithstanding non-execution hereof by any other Guarantor or proposed Guarantor.

3.4 No Diminished Liability

The release of any Guarantor from liability hereunder shall not affect or diminish the liability of any remaining Guarantor hereunder.

3.5 Obligations Unimpaired by Bankruptcy

Notwithstanding the Borrower making an assignment for the benefit of creditors or becoming bankrupt or insolvent or taking the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors, and notwithstanding the extinguishing of the debt or obligations of the Borrower or the release or discharge of the Borrower pursuant to any law or judicial decision, this Agreement shall continue to be valid and of full force and effect and shall not be deemed to have been waived, released, discharged, impaired or affected thereby.

3.6 Costs

In addition to any other amounts due or incurred herein, the Guarantor shall also pay to the Agent all solicitor and client costs and all legal and other expenses incurred by the Agent or any Lender by virtue of any demand, default or proceeding taken to realize on this Agreement (collectively, "**Enforcement Costs**").

3.7 No Set Off

The Guarantor shall make all payments hereunder without regard to any defence, counter-claim or right of set off otherwise available to it.

3.8 Governing Law

This Agreement shall in all respects be governed by and be construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

3.9 No Merger

The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any liability or obligation of the Guarantor hereunder or under any Security Documents, including the Guarantee, of any form held or which may be held hereafter by the Agent from the Guarantor or the Borrower or from any other person or persons whomsoever.

3.10 Severability

If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and unenforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

3.11 Enurement

This Agreement shall enure to the benefit of the Agent and its successors and assigns and shall be binding upon the Guarantor and each of their respective heirs, executors, administrators, legal representatives, successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of a corporation with any other corporation.

3.12 Headings

The headings to the parts and sections and clauses of this Agreement are inserted for convenience only and shall not affect the construction hereof.

3.13 Consent to Jurisdiction

The Guarantor hereby irrevocably consents and submits to the jurisdiction of the courts of the Province of British Columbia for all purposes of any litigation or proceedings in connection with this Agreement or the Guarantee and agrees that if suit is brought in British Columbia, service of process may be made, and personal jurisdiction over the Guarantor obtained, by serving the Guarantor at the address at which notices are to be delivered pursuant to Section 3.15 of this Agreement in accordance with the applicable laws of the Province of British Columbia. The Guarantor waives any objection it may now or hereafter have to the laying of venue in the Province of British Columbia and any claim that any proceeding instituted in the Province of British Columbia has been brought in an inconvenient forum. Nothing contained herein, however, shall prevent the Agent from bringing any action or exercising any rights against any security or against the Guarantor personally, or against any property of the Guarantor, within any other province, country or jurisdiction.

3.14 Joint and Several Liability

Wherever the singular number or the masculine gender is used in this instrument the same shall be construed as including the plural and feminine and neuter respectively where the fact or context is so required. In any case where this Agreement is executed by more than one party as Guarantor, all covenants and agreements herein contained shall be construed and taken as against each such executing party as joint and several, and the heirs and executors, administrators, successors and assigns of any party so executing this instrument are jointly and severally bound by the covenants, agreements, stipulations and provisos herein contained and the covenants, agreements, stipulations and provisos herein stated shall be in addition to those granted or implied by statute.

3.15 Notice

All notices and other communications by either the Guarantor or the Agent to the other shall be made in accordance with the Credit Agreement.

3.16 Independent Legal Advice

The Guarantor acknowledges having obtained its own independent legal advice with respect to the terms of this Agreement prior to its execution.

3.17 Counterparts

This Agreement may be signed by the Guarantor in one or more counterparts, each of which shall be deemed to be an original but, when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF this Agreement has been executed as of the day and year first above written.

1075 NELSON DEVELOPMENT GP INC.


By its authorized signatory:



Name: Kheng Ly

**1075 NELSON DEVELOPMENT
HOLDINGS INC.**

By its authorized signatory:



Name: Kheng Ly

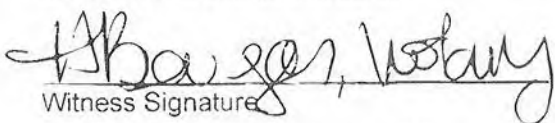
BRIVIA FAMILY INVESTMENTS INC.

By its authorized signatory:



Name: Kheng Ly

SIGNED, SEALED and DELIVERED by
KHENG LY in the presence of:



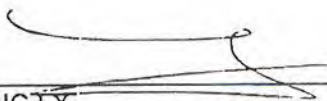
Witness Signature

503-1425 Rene-Levesque West
Montreal, QC, H3G 1T7

Address

Vice-President, Legal Affairs

Occupation



KHENG LY

This is **Exhibit "H"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**



Land Title Act
Charge
General Instrument – Part 1

NEW WESTMINSTER LAND TITLE OFFICE
MAY 11 2023 14:00:03.001
CB612447-CB612448

1. Application

Document Fees: \$156.34

GOWLING WLG (CANADA) LLP
Barristers & Solicitors, P.O. Box 30
Suite 2300 - 550 Burrard Street
Vancouver BC V6C 2B5
Phone No. (604) 683-6498

Matter No. V55753 / MEM

2. Description of Land

PID/Plan Number Legal Description

031-725-953 LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3. Nature of Interest

Type	Number	Additional Information
PRIORITY AGREEMENT	CB612313	Granting Mortgage CB612313 priority over Mortgage CA9760141 (as transferred by CB562708) and Assignment of Rents CA9760142 (as transferred by CB562709)
PRIORITY AGREEMENT	CB612314	Granting Assignment of Rents CB612314 priority over Mortgage CA9760141 (as transferred by CB562708) and Assignment of Rents CA9760142 (as transferred by CB562709)

4. Terms

Part 2 of this instrument consists of:

(b) Express Charge Terms Annexed as Part 2

5. Transferor(s)

1409658 B.C. LTD., NO.BC1409658

6. Transferee(s)

HSBC BANK CANADA
6TH FLOOR, 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3G1

7. Additional or Modified Terms



Land Title Act
Charge
General Instrument – Part 1

8. Execution(s)

This instrument creates, assigns, modifies, enlarges or governs the priority of the interest(s) described in item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Witnessing Officer Signature

Execution Date

Transferor / Transferee / Party Signature(s)

Giuseppe Giurleo
Notary Public
503 - 1425 Rene-Levesque West
Montreal QC H3G 1T7

YYYY-MM-DD

2023-04-18

1409658 B.C. LTD.
By their Authorized Signatory

KHENG LY

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, R.S.B.C. 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Charlene Rita
Joanes 89V183

Digitally signed by
Charlene Rita Joanes
89V183
Date: 2023-05-11
13:40:27 -07:00

TERMS OF INSTRUMENT – PART 2

PRIORITY, SUBORDINATION AND STANDSTILL AGREEMENT

This Agreement is dated for reference as of May 11, 2023.

BETWEEN:

1409658 B.C. LTD., with an address at Suite 503, 1425 René-Lévesque Boulevard West, Montreal, Quebec H3G 1T7

(collectively, the "**Transferor**" or "**Subordinate Lender**")

AND:

HSBC BANK CANADA, as administrative and collateral agent for the Lenders (as defined in the Senior Credit Agreement), with an address at 6th Floor, 885 West Georgia Street, Vancouver, British Columbia, V6C 3G1

(the "**Transferee**" or "**Senior Lender**")

AND:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP (the "**LP**") and **1075 NELSON DEVELOPMENT GP INC.** (the "**GP**"), in its own capacity and as general partner for the LP, with an address at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 1C5

(collectively, the "**Borrower**")

AND:

1075 NELSON DEVELOPMENT HOLDINGS INC., with an address at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 1C5

(the "**Registered Owner**")

WHEREAS:

- A. The Registered Owner is the registered owner of the lands and premises (the "**Lands**") legally described in Item 2 of the General Instrument – Part 1 ("**Part 1**") of the attached Form C;

- B. Pursuant to a credit agreement dated as of May 11, 2023 (the "**Senior Credit Agreement**") between inter alios, the Senior Lender, the banks and other financial institutions that are parties to the Credit Agreement as lender from time to time (the "**Lenders**"), the Borrower as borrower and the Registered Owner, the GP, Kheng Ly and Brivia Family Investments Inc., (collectively, the "**Guarantors**") as guarantors, the Senior Lender as agent holds certain security with respect to the Lands including, inter alia, a **\$90,000,000 Canadian Dollars** mortgage and assignment of rents and leases (the "**Mortgage**") from the Registered Owner registered in the Vancouver Land Title Office (the "**LTO**") as a first charge against the Lands and the rents and leases therefrom (the "**Rents**") under registration numbers CB612313 and CB612314, a security agreement charging all present and after acquired personal property of the Registered Owner and the Borrower with respect to the Lands (the "**Personal Property**") and a beneficial mortgage and charge of the Lands, Rents and Personal Property (all of the foregoing security together with any other security now or hereafter granted by the Borrower, the Registered Owner, the Guarantors or in connection with the Senior Credit Agreement, to the Senior Lender collectively the "**Senior Security**");
- C. The Subordinate Lender holds certain security with respect to the Lands from the Borrower, consisting of a mortgage and assignment of rents registered in the LTO as a second charge against the Lands and the Rents under registration numbers CA9760141 (as transferred by CB562708) and CA9760142 (as transferred by CB562709) (all of the foregoing security (including guarantees) together with any other security now or hereafter granted by the Borrower, the Registered Owner or the Guarantors, if applicable to the Subordinate Lender collectively, the "**Subordinate Security**");
- D. The Senior Security is held by the Senior Lender as continuing collateral security for all of the present and future debts, liabilities and obligations of the Borrower to the Senior Lender in connection with a loan facility in the principal amount of **\$75,000,000 Canadian Dollars** as such may increase from time to time (including upon the advance by the Senior Lender of the Facility Increase (as defined in the Senior Credit Agreement) (the "**Senior Lender Loan**") provided by the Lenders to the Borrower with respect to the Lands; and
- E. It is a condition, among others, of the Senior Lender consenting to the registration of the Subordinate Security that the Subordinate Lender execute and deliver this Agreement pursuant to which the Subordinate Security will at all times be postponed and subordinated to the Senior Security, to the extent of the Senior Lender Loan, plus interest thereon, protective disbursements and reasonable costs and expenses incurred in the realization of the Senior Security, (collectively, the "**Senior Lender Priority Amount**").

NOW, THEREFORE, THIS AGREEMENT WITNESSES THAT, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is acknowledged by the Subordinate Lender, the Subordinate Lender and the Senior Lender agree with each other as follows:

- I. **Grant of Priority:** The Subordinate Lender hereby grants priority to the Senior Security over the Subordinate Security and grants to the Senior Lender priority over any interest that the Subordinate Lender has in the Lands, the Rents, the Personal Property and all other assets, effects, property and undertaking of the Borrower (collectively the "**Charged Property**") by virtue of the Subordinate Security in each case to the extent of

the Senior Lender Priority Amount, and does hereby postpone all its right, title and interest in and to the Charged Property with and to the intent that the interests of the Subordinate Lender therein will be subject to the rights of the Senior Lender therein under the Senior Security to the extent of the Senior Lender Priority Amount as though the Senior Security had been granted and delivered, registered or otherwise perfected and all funds advanced or readvanced thereunder prior to the execution, delivery or registration of the Subordinate Security.

2. **Subordination:** The Subordinate Lender does hereby defer, postpone and subordinate all of its rights under and by virtue of the Subordinate Security (including, without limitation, the right of the Subordinate Lender to receive payment of principal, interest and any other money secured thereby) and all the lien, charge and security interest created by the Subordinate Security upon the Charged Property to the Senior Security and to the prior payment in full to the Senior Lender of the Senior Lender Priority Amount and to the lien, charge and security interest which the Senior Lender has acquired or may at any time hereafter acquire upon the Charged Property under or by virtue of the Senior Security and the Senior Security shall be, become and remain a charge upon the Charged Property having and retaining priority to the full extent thereof over the Subordinate Security.
3. **No Payments to Subordinate Lender:** Notwithstanding anything to the contrary contained in the Subordinate Security, so long as the Senior Security is registered against the Lands or any interest therein or part thereof, the Subordinate Lender shall have no right to receive any payment of or on account of any money secured or intended to be secured by the Subordinate Security and will be subordinated to the right of the Senior Lender to receive payment of or on account of any money secured or intended to be secured by the Senior Security from time to time and, the Subordinate Lender will not be entitled to receive any payment of interest on the principal amount of the Subordinate Security or any repayment of the principal amount of the Subordinate Security or any fees or any portion thereof until the Senior Lender has received payment in full of the Senior Lender Priority Amount, provided that the foregoing shall not prohibit the Subordinate Lender from receiving the full payout of any indebtedness secured by the Subordinate Security from the proceeds of the Facility Increase (as defined in the Senior Credit Agreement). Any payment made to the Subordinate Lender in contravention of the foregoing provision or any proceeds received by the Subordinate Lender in connection with any enforcement or realization on the Subordinate Security shall be received by the Subordinate Lender in trust for the Senior Lender and shall forthwith be paid over by the Subordinate Lender to the Senior Lender.
4. **Priority in All Circumstances:** The grant of priority provided to the Senior Lender herein will apply in all events and circumstances:
 - (a) to the full amount of the Senior Lender Priority Amount, until all of such Senior Lender Priority Amount has been repaid in full to the Senior Lender and the Senior Security has been completely released and discharged;
 - (b) regardless of:
 - (i) the dates of execution, delivery and registration of the Subordinate Security and the Senior Security;

- (ii) the dates of all past, present and future advances of any of the Senior Lender Loan made by the Senior Lender for or on behalf of or for the benefit of the Borrower;
- (iii) the dates of any past, present or future defaults by the Borrower under the Subordinate Security or the Senior Security or any of the terms and conditions of the Senior Lender Loan;
- (iv) the dates any demands for payment are made, the dates any notices are given, and any failure to make or give any such demands or notices and the dates of realization or attachment of any security interests held by the Subordinate Lender or the Senior Lender;
- (v) any contrary intention expressed in the Senior Security, the Subordinate Security or any other documents; and
- (vi) any priority granted by any principle of law or equity or any statute including the Personal Property Security Act (British Columbia).

5. **Standstill of Realization Proceedings:** The Subordinate Lender covenants and agrees with the Senior Lender that it will not, nor will it be entitled to, commence or maintain any enforcement or realization (including seizure) proceedings, either judicial or extra-judicial, under or in respect of the Subordinate Security or take any other steps to enforce the Subordinate Security including the appointment of a receiver-manager or monitor with respect to the Borrower or the Lands until the earlier of the occurrence of the following events:

- (a) it has the prior written consent of the Senior Lender, which consent may be arbitrarily withheld by the Senior Lender;
- (b) the Senior Lender has confirmed that all obligations of the Borrower to the Senior Lender with respect to the Senior Lender Priority Amount and the Senior Security have been fully paid and satisfied; or
- (c) the Senior Lender has commenced and is maintaining a foreclosure or other court proceedings against the Lands under the Senior Security or initiated and is maintaining any bankruptcy or insolvency proceedings against the Borrower.

The foregoing will not prevent the Subordinate Lender from making demand for payment or issuing a notice of intention under the Bankruptcy and Insolvency Act.

6. **Exclusive Rights of Senior Lender:** The Subordinate Lender agrees that notwithstanding anything contained in the Subordinate Security to the contrary or otherwise provided in law or equity, until the Senior Lender Priority Amount has been fully paid and satisfied, the Senior Lender shall have the sole and exclusive right without the consent of, but upon providing prior written notice to, the Subordinate Lender, to from time to time, acting in a commercially reasonable manner:

- (a) take action with respect to, enforce and realize upon, or to sell or otherwise dispose of, the Charged Property or any part thereof in accordance with the Senior Security or as permitted by applicable law;

- (b) enforce and realize upon the charges held by the Senior Lender in accordance with the Senior Security or as permitted by applicable law, including to conduct any sale of all or any portion of the Charged Property;
- (c) determine whether or not to accept a transfer in lieu of foreclosure or similar transfer of all or any portion of the Charged Property;
- (d) adjust and settle any claim made under any insurance policy covering the Charged Property or any part thereof in the event of any loss thereunder;
- (e) enforce all rights and privileges accruing to the Senior Lender by reason of, and in accordance with, the Senior Security including, without limitation, to appoint and to provide instructions to any receiver-manager or monitor of any kind over the Borrower or the Charged Property, to grant or refuse to grant any and all consents, approvals and waivers, and to exercise all of its rights and privileges as attorney-in-fact of the Borrower for purposes of carrying out the terms of the Senior Security; and
- (f) take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement.

and in exercising its rights as aforesaid, the Senior Lender shall have sole control over the timing, circumstances and manner of exercising its rights hereunder, provided that the provisions of this Section 6 will not deprive the Subordinate Lender of its right to appear in or to take a position in any foreclosure proceedings commenced by the Senior Lender with respect to the Charged Property.

7. Rights of Senior Lender in respect of Standstill: The Subordinate Lender covenants and agrees with the Senior Lender that:

- (a) the right of the Senior Lender to arbitrarily withhold its consent pursuant to paragraph 5(a) hereof is reasonable and consistent with the protection of the legitimate business interest of the Senior Lender; and
- (b) any action taken by the Subordinate Lender in breach of the provisions of Section 5 or Section 6 hereof could have a material adverse effect on the continuing operation, viability and financial stability of the Borrower and the operation of the Lands and will not be binding on or of any force or effect against the Senior Lender and the Senior Lender may bring any proceedings in the nature of specific performance, injunction or other equitable remedy to enforce its rights under this Agreement, it being acknowledged by the Subordinate Lender that damages at law may be an inadequate remedy for a default or breach of this Agreement.

8. Development of Lands: The Subordinate Lender covenants and agrees with the Senior Lender to execute and deliver, promptly on request, all such subdivision plans, strata plans, consents, covenants, building schemes, rights of way, easements, land use contracts and other similar instruments and amendments thereto and priority agreements in connection therewith with respect to the Lands, including any future subdivision or development of the Lands, as the Senior Lender and the Registered

Owner may execute or as the Senior Lender may require the Registered Owner to execute.

9. **Partial Discharges:** In the event the Senior Lender consent to the partial sale of any parcel of land comprising the Lands (each, a "Parcel") and consent to the execution of partial releases from the Senior Security in respect of any such Parcel, the Subordinate Lender acknowledges and agrees with the Senior Lender that the Subordinate Lender will execute and deliver releases of the Subordinate Security (including all personal property security relating thereto).
10. **Differing Interests:** The Subordinate Lender acknowledges and agrees that the Senior Lender has or may have various business relationships with the Borrower or entities affiliated or otherwise related to the Borrower and that its relationship to the Borrower varies with the interest and relationship of the Subordinate Lender to the Borrower. The Subordinate Lender acknowledges and agrees that the Senior Lender may act in connection with this Agreement having regard to its own self interest so long as any such action does not contravene or otherwise result in non-compliance by it with the terms and conditions of this Agreement.
11. **No Duty of Care:** The Senior Lender owes no duty of care to the Subordinate Lender with respect to its dealings with the Borrower, the Registered Owner or the Guarantors under the Senior Security.
12. **Senior Lender's Rights:** The Senior Lender may grant time, renewals, extensions, releases and discharges to, accept compositions from and otherwise deal with the Borrower as it may see fit, including without limitation renewal of the Senior Lender Loan secured by the Senior Security at the Senior Lender's interest rates then prevailing at the time of such renewal, without consent of the Subordinate Lender and without prejudice to or in any way limiting or affecting the agreements on the part of the Subordinate Lender pursuant to this Agreement.
13. **Assignment of Subordinate Security:** The Subordinate Lender will not assign or charge the Subordinate Security or any portion hereof without first obtaining from the assignee or chargee and delivering to the Senior Lender a written acknowledgement that the assignment or charge is subject to the terms of this Agreement, provided that the Subordinate Lender may assign or grant participations to any affiliate which will be or be deemed to be bound by the terms of this Agreement.
14. **Further Assurances by the Borrower and the Registered Owner:** The Borrower and the Registered Owner hereby acknowledge this Agreement and the subordination of the priority of the Subordinate Security to the Senior Lender Loan and the Senior Security to the same effect as if all monies secured or intended to be secured by the Senior Security were events prior to the creation and registration of the Subordinate Security and the advance of any monies secured by the Subordinate Security as have been or will be advanced, and the Borrower and the Registered Owner expressly agree to perform their respective obligations to the Senior Lender and the Subordinate Lender to hold and deal with the Charged Property in accordance with the priorities set out in this Agreement, and to execute any instruments giving effect to such subordination and postponement as may be required by the Senior Lender or Subordinate Lender from time to time for such purpose.

- 15 **Enurement:** This Agreement will be binding on and enure to the benefit of the parties hereto and their respective successors and assigns.
- 16 **Governing Law:** This Agreement and all matters arising under it will be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.
- 17 **Headings:** All headings in this Agreement are inserted only for convenience of reference and are not to be considered in the construction or interpretation of a provision of this Agreement.
- 18 **Notice:** All notices and other communications (each referred to as the "**Notice**") permitted or required to be given to any of the parties hereto will be in writing and may be delivered personally or by courier or transmitted by facsimile to the following addresses or facsimile numbers or to such other address or facsimile number as will be designated by such party by notice in writing to the other parties to this Agreement:

- (i) to the Subordinate Lender at its address set out on page 3 of this Form C
- (ii) to the Senior Lender:

HSBC Bank Canada
6th Floor – 885 West Georgia Street
Vancouver, British Columbia, V6C 3G1
Attention: William Wang
Fax No.: +1 (514) 285 8638

The Notice will be deemed to have been received:

- (i) in the case of personal delivery or delivery by courier, when the Notice is delivered to the party receiving the Notice, unless the Notice was not delivered on a day upon which the Senior Lender is open for business in Toronto and Vancouver, British Columbia (a "**Business Day**"), or was delivered on a Saturday, Sunday or Canadian legal holiday, in which case the Notice will be deemed to have been delivered and received on the next Business Day; and
 - (ii) in the case of facsimile, on the day the Notice was sent, unless the Notice was not received on a Business Day or was received after 4:00 p.m. (local time of the recipient) in which case the Notice will be deemed to have been given or made and received on the next Business Day.
- 19 **No Waiver:** No failure or delay on the part of the Senior Lender in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude any other or further exercise of any such power, right or privilege. All powers, rights and privileges hereunder are cumulative to, and not exclusive of, any powers, rights or privileges otherwise available.
- 20 **Waiver by Senior Lender:** The Senior Lender consents to and waives any default under the Senior Security that may otherwise have occurred by reason solely of the execution, delivery and registration of the Subordinate Security and the incurring of the indebtedness secured by the Subordinate Security.

21. **Provisions Severable:** If any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be severable from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
22. **Entire Agreement:** This Agreement constitutes the entire agreement between the Senior Lender and the Subordinate Lender with respect to the subject matter hereof and supersedes any prior written or oral agreements, undertakings, and understandings between them with respect to the subject matter hereof.
23. **Authorization:** The Subordinate Lender authorizes the Senior Lender or its representative or agent to complete in Item 3 of Part 1 and Paragraph B of Part 2 all appropriate LTO registration numbers if not already completed and, if necessary, to file a financing change statement in the Personal Property Registry to evidence the priority granted herein.

IN WITNESS WHEREOF, the Subordinate Lender has executed this Agreement at Item 8 of the General Instrument – Part 1 of this Form C.

ACKNOWLEDGED AND AGREED to by the Senior Lender and Borrower as at the date set forth above in Part 2 of this Form C.

HSBC BANK CANADA

Per: 
William Wang

Name: William Wang

Title: Senior Director, Commercial Real Estate

Per: 
Jeff Parkes

Name: Jeff Parkes

Title: Vice President, Commercial Real Estate

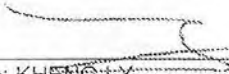
Page 11

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP

By its general partner


1075 NELSON DEVELOPMENT GP INC.

By its authorized signatory:


Name: KHENG LY

1075 NELSON DEVELOPMENT HOLDINGS INC.

By its authorized signatory:


Name: KHENG LY



Land Title Act
Charge
General Instrument – Part 1

NEW WESTMINSTER LAND TITLE OFFICE
JUL 12 2023 09:08:12.001
CB748199-CB748200

1. Application

Document Fees: \$156.34

GOWLING WLG (CANADA) LLP
Barristers & Solicitors, P.O. Box 30
Suite 2300 - 550 Burrard Street
Vancouver BC V6C 2B5
Phone No. (604) 683-6498

Matter No. VS5753 / MEM & C Jones

2. Description of Land

PID/Plan Number Legal Description

031-725-953 LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3. Nature of Interest

Type	Number	Additional Information
PRIORITY AGREEMENT	CB748029	Granting Modification of Mortgage CB748029 priority over Mortgage CA9760141 (as transferred by CB562708) and Assignment of Rents CA9760142 (as transferred by CB562709)
PRIORITY AGREEMENT	CB748030	Granting Modification of Assignment of Rents CB748030 priority over Mortgage CA9760141 (as transferred by CB562708) and Assignment of Rents CA9760142 (as transferred by CB562709)

4. Terms

Part 2 of this instrument consists of:

(b) Express Charge Terms Annexed as Part 2

5. Transferor(s)

1409658 B.C. LTD., NO.BC1409658

6. Transferee(s)

HSBC BANK CANADA
6TH FLOOR, 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3G1

7. Additional or Modified Terms



Land Title Act
Charge
General Instrument – Part 1

8. Execution(s)

This instrument creates, assigns, modifies, enlarges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Witnessing Officer Signature

Execution Date

Transferor / Transferee / Party Signature(s)

Helen Bougas
Notary Public
503-1425 Rene-Levesque West
Montreal QC H3G 1T7

YYY-MM-DD

2023-07-11

1409658 B.C. LTD.
By their Authorized Signatory

Kheng Ly

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, R.S.B.C. 1996 c.250 that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**William Christopher
Porter N5RM43**

Digitally signed by
**William Christopher
Porter N5RM43**
Date: 2023-07-12
08:58:49 -07:00

TERMS OF INSTRUMENT – PART 2

PRIORITY, SUBORDINATION AND STANDSTILL AGREEMENT

This Agreement is dated for reference as of July 11, 2023.

BETWEEN:

1409658 B.C. LTD., with an address at Suite 503, 1425 René-Lévesque Boulevard West, Montreal, Quebec H3G 1T7

(collectively, the "**Transferor**" or "**Subordinate Lender**")

AND:

HSBC BANK CANADA, as administrative and collateral agent for the Lenders (as defined in the Senior Credit Agreement), with an address at 6th Floor, 885 West Georgia Street, Vancouver, British Columbia, V6C 3G1

(the "**Transferee**" or "**Senior Lender**")

AND:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP (the "**LP**") and **1075 NELSON DEVELOPMENT GP INC.** (the "**GP**"), in its own capacity and as general partner for the LP, with an address at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 1C5

(collectively, the "**Borrower**")

AND:

1075 NELSON DEVELOPMENT HOLDINGS INC., with an address at Suite 2400, 745 Thurlow Street, Vancouver, British Columbia, V6E 1C5

(the "**Registered Owner**")

WHEREAS:

- A. The Registered Owner is the registered owner of the lands and premises (the "**Lands**") legally described in Item 2 of the General Instrument – Part 1 ("**Part 1**") of the attached Form C;

- B. Pursuant to a credit agreement dated as of May 11, 2023 (the "**Senior Credit Agreement**") between inter alios, the Senior Lender, the banks and other financial institutions that are parties to the Credit Agreement as lender from time to time (the "**Original Lenders**"), the Borrower, as borrower and the Registered Owner, the GP, Kheng Ly and Brivia Family Investments Inc. (collectively, the "**Guarantors**") as guarantors, the Senior Lender as agent holds certain security with respect to the Lands including, inter alia, a **\$90,000,000 Canadian Dollars** mortgage and assignment of rents and leases (the "**Mortgage**") from the Registered Owner registered in the Vancouver Land Title Office (the "LTO") as a first charge against the Lands and the rents and leases therefrom (the "**Rents**") under registration numbers CB612313 and CB612314, a security agreement charging all present and after acquired personal property of the Registered Owner and the Borrower with respect to the Lands (the "**Personal Property**") and a beneficial mortgage and charge of the Lands, Rents and Personal Property (all of the foregoing security together with any other security now or hereafter granted by the Borrower, the Registered Owner, the Guarantors or in connection with the Senior Credit Agreement to the Senior Lender collectively the "**Original Security**");
- C. The Subordinate Lender holds certain security with respect to the Lands from the Borrower, consisting of a mortgage and assignment of rents registered in the LTO as a second charge against the Lands and the Rents under registration numbers CA9760141 (as transferred by CB562708) and CA9760142 (as transferred by CB562709) (all of the foregoing security (including guarantees) together with any other security now or hereafter granted by the Borrower, the Registered Owner or the Guarantors, if applicable to the Subordinate Lender collectively, the "**Subordinate Security**");
- D. The Original Security is held by the Senior Lender as continuing collateral security for all of the present and future debts, liabilities and obligations of the Borrower to the Senior Lender in connection with a loan facility in the principal amount of **\$75,000,000 Canadian Dollars** as such may increase from time to time (including upon the advance by the Senior Lender of the Facility Increase (as defined in the Senior Credit Agreement) (the "**Senior Lender Loan**") provided by the Lenders to the Borrower with respect to the Lands;
- E. Pursuant to a first amendment to credit agreement and interlender agreement dated as of July 7, 2023 between, inter alios, the Borrower as borrower, the Guarantors, the Agent, the Original Lenders and Meridian Credit Union (collectively, the "**Lenders**") pursuant to which the Lenders have agreed to make available to the Limited Partnership a Facility Increase in the principal amount of \$15,000,000, increasing the aggregate principal amount of the Senior Lender Loan from \$75,000,000 to \$90,000,000 (collectively, the "**Amended Loan**");
- F. As security for the Amended Loan, the Registered Owner has granted a modification of the Mortgage in favour of the Agent dated as of July 11, 2023 (the "**Modification**"), pursuant to which the maximum principal amount was increased from \$90,000,000 to **\$108,000,000**. The Modification was registered in the LTO against the Lands and the Rents under registration numbers CB748029 and CB748030, respectively.
- G. It is a condition, among others, of the Senior Lender consenting to the registration of the Subordinate Security that the Subordinate Lender execute and deliver this Agreement pursuant to which the Subordinate Security will at all times be postponed and subordinated to the Original Security, as modified by the Modification (collectively, the

"Senior Security"), to the extent of the Amended Loan, plus interest thereon, protective disbursements and reasonable costs and expenses incurred in the realization of the Senior Security (collectively, the "Senior Lender Priority Amount").

NOW, THEREFORE, THIS AGREEMENT WITNESSES THAT, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which is acknowledged by the Subordinate Lender, the Subordinate Lender and the Senior Lender agree with each other as follows:

1. **Grant of Priority:** The Subordinate Lender hereby grants priority to the Senior Security over the Subordinate Security and grants to the Senior Lender priority over any interest that the Subordinate Lender has in the Lands, the Rents, the Personal Property and all other assets, effects, property and undertaking of the Borrower (collectively the "Charged Property") by virtue of the Subordinate Security in each case to the extent of the Senior Lender Priority Amount, and does hereby postpone all its right, title and interest in and to the Charged Property with and to the intent that the interests of the Subordinate Lender therein will be subject to the rights of the Senior Lender therein under the Senior Security to the extent of the Senior Lender Priority Amount as though the Senior Security had been granted and delivered, registered or otherwise perfected and all funds advanced or readvanced thereunder prior to the execution, delivery or registration of the Subordinate Security.
2. **Subordination:** The Subordinate Lender does hereby defer, postpone and subordinate all of its rights under and by virtue of the Subordinate Security (including, without limitation, the right of the Subordinate Lender to receive payment of principal, interest and any other money secured thereby) and all the lien, charge and security interest created by the Subordinate Security upon the Charged Property to the Senior Security and to the prior payment in full to the Senior Lender of the Senior Lender Priority Amount and to the lien, charge and security interest which the Senior Lender has acquired or may at any time hereafter acquire upon the Charged Property under or by virtue of the Senior Security and the Senior Security shall be, become and remain a charge upon the Charged Property having and retaining priority to the full extent thereof over the Subordinate Security.
3. **No Payments to Subordinate Lender:** Notwithstanding anything to the contrary contained in the Subordinate Security, so long as the Senior Security is registered against the Lands or any interest therein or part thereof, the Subordinate Lender shall have no right to receive any payment of or on account of any money secured or intended to be secured by the Subordinate Security and will be subordinated to the right of the Senior Lender to receive payment of or on account of any money secured or intended to be secured by the Senior Security from time to time and, the Subordinate Lender will not be entitled to receive any payment of interest on the principal amount of the Subordinate Security or any repayment of the principal amount of the Subordinate Security or any fees or any portion thereof until the Senior Lender has received payment in full of the Senior Lender Priority Amount, provided that the foregoing shall not prohibit the Subordinate Lender from receiving the partial payout of any indebtedness secured by the Subordinate Security from the proceeds of the Facility Increase (as defined in the Senior Credit Agreement). Any payment made to the Subordinate Lender in contravention of the foregoing provision or any proceeds received by the Subordinate Lender in connection with any enforcement or realization on the Subordinate Security,

shall be received by the Subordinate Lender in trust for the Senior Lender and shall forthwith be paid over by the Subordinate Lender to the Senior Lender.

4. **Priority in All Circumstances:** The grant of priority provided to the Senior Lender herein will apply in all events and circumstances:
- (a) to the full amount of the Senior Lender Priority Amount, until all of such Senior Lender Priority Amount has been repaid in full to the Senior Lender and the Senior Security has been completely released and discharged;
 - (b) regardless of:
 - (i) the dates of execution, delivery and registration of the Subordinate Security and the Senior Security;
 - (ii) the dates of all past, present and future advances of the Amended Loan made by the Senior Lender for or on behalf of or for the benefit of the Borrower;
 - (iii) the dates of any past, present or future defaults by the Borrower under the Subordinate Security or the Senior Security or any of the terms and conditions of the Amended Loan;
 - (iv) the dates any demands for payment are made, the dates any notices are given, and any failure to make or give any such demands or notices and the dates of realization or attachment of any security interests held by the Subordinate Lender or the Senior Lender;
 - (v) any contrary intention expressed in the Senior Security the Subordinate Security or any other documents; and
 - (vi) any priority granted by any principle of law or equity or any statute including the Personal Property Security Act (British Columbia).
5. **Standstill of Realization Proceedings:** The Subordinate Lender covenants and agrees with the Senior Lender that it will not, nor will it be entitled to, commence or maintain any enforcement or realization (including seizure) proceedings, either judicial or extra-judicial, under or in respect of the Subordinate Security or take any other steps to enforce the Subordinate Security including the appointment of a receiver-manager or monitor with respect to the Borrower or the Lands until the earlier of the occurrence of the following events:
- (a) it has the prior written consent of the Senior Lender, which consent may be arbitrarily withheld by the Senior Lender;
 - (b) the Senior Lender has confirmed that all obligations of the Borrower to the Senior Lender with respect to the Senior Lender Priority Amount and the Senior Security have been fully paid and satisfied; or

- (c) the Senior Lender has commenced and is maintaining a foreclosure or other court proceedings against the Lands under the Senior Security or initiated and is maintaining any bankruptcy or insolvency proceedings against the Borrower.

The foregoing will not prevent the Subordinate Lender from making demand for payment or issuing a notice of intention under the Bankruptcy and Insolvency Act

6. **Exclusive Rights of Senior Lender:** The Subordinate Lender agrees that notwithstanding anything contained in the Subordinate Security to the contrary or otherwise provided in law or equity, until the Senior Lender Priority Amount has been fully paid and satisfied, the Senior Lender shall have the sole and exclusive right without the consent of, but upon providing prior written notice to, the Subordinate Lender, to from time to time, acting in a commercially reasonable manner:
- (a) take action with respect to, enforce and realize upon, or to sell or otherwise dispose of the Charged Property or any part thereof in accordance with the Senior Security or as permitted by applicable law;
 - (b) enforce and realize upon the charges held by the Senior Lender in accordance with the Senior Security or as permitted by applicable law, including to conduct any sale of all or any portion of the Charged Property;
 - (c) determine whether or not to accept a transfer in lieu of foreclosure or similar transfer of all or any portion of the Charged Property;
 - (d) adjust and settle any claim made under any insurance policy covering the Charged Property or any part thereof in the event of any loss thereunder;
 - (e) enforce all rights and privileges accruing to the Senior Lender by reason of, and in accordance with, the Senior Security including, without limitation, to appoint and to provide instructions to any receiver-manager or monitor of any kind over the Borrower or the Charged Property, to grant or refuse to grant any and all consents, approvals and waivers, and to exercise all of its rights and privileges as attorney-in-fact of the Borrower for purposes of carrying out the terms of the Senior Security; and
 - (f) take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement

and in exercising its rights as aforesaid, the Senior Lender shall have sole control over the timing, circumstances and manner of exercising its rights hereunder, provided that the provisions of this Section 6 will not deprive the Subordinate Lender of its right to appear in or to take a position in any foreclosure proceedings commenced by the Senior Lender with respect to the Charged Property.

7. **Rights of Senior Lender in respect of Standstill:** The Subordinate Lender covenants and agrees with the Senior Lender that:
- (a) the right of the Senior Lender to arbitrarily withhold its consent pursuant to paragraph 5(a) hereof is reasonable and consistent with the protection of the legitimate business interest of the Senior Lender; and
 - (b) any action taken by the Subordinate Lender in breach of the provisions of Section 5 or Section 6 hereof could have a material adverse effect on the continuing operation, viability and financial stability of the Borrower and the operation of the Lands and will not be binding on or of any force or effect against the Senior Lender, and the Senior Lender may bring any proceedings in the nature of specific performance, injunction or other equitable remedy to enforce its rights under this Agreement, it being acknowledged by the Subordinate Lender that damages at law may be an inadequate remedy for a default or breach of this Agreement.
8. **Development of Lands:** The Subordinate Lender covenants and agrees with the Senior Lender to execute and deliver, promptly on request, all such subdivision plans, strata plans, consents, covenants, building schemes, rights of way, easements, land use contracts and other similar instruments and amendments thereto and priority agreements in connection therewith with respect to the Lands, including any future subdivision or development of the Lands, as the Senior Lender and the Registered Owner may execute or as the Senior Lender may require the Registered Owner to execute.
9. **Partial Discharges:** In the event the Senior Lender consent to the partial sale of any parcel of land comprising the Lands (each, a "Parcel") and consent to the execution of partial releases from the Senior Security in respect of any such Parcel, the Subordinate Lender acknowledges and agrees with the Senior Lender that the Subordinate Lender will execute and deliver releases of the Subordinate Security (including all personal property security relating thereto).
10. **Differing Interests:** The Subordinate Lender acknowledges and agrees that the Senior Lender has or may have various business relationships with the Borrower or entities affiliated or otherwise related to the Borrower and that its relationship to the Borrower varies with the interest and relationship of the Subordinate Lender to the Borrower. The Subordinate Lender acknowledges and agrees that the Senior Lender may act in connection with this Agreement having regard to its own self interest so long as any such action does not contravene or otherwise result in non-compliance by it with the terms and conditions of this Agreement.
11. **No Duty of Care:** The Senior Lender owes no duty of care to the Subordinate Lender with respect to its dealings with the Borrower, the Registered Owner or the Guarantors under the Senior Security.
12. **Senior Lender's Rights:** The Senior Lender may grant time, renewals, extensions, releases and discharges to, accept compositions from and otherwise deal with the Borrower as it may see fit, including without limitation renewal of the Amended Loan secured by the Senior Security at the Senior Lender's interest rates then prevailing at the time of such renewal, without consent of the Subordinate Lender and without

prejudice to or in any way limiting or affecting the agreements on the part of the Subordinate Lender pursuant to this Agreement.

13. **Assignment of Subordinate Security:** The Subordinate Lender will not assign or charge the Subordinate Security or any portion hereof without first obtaining from the assignee or chargee and delivering to the Senior Lender a written acknowledgement that the assignment or charge is subject to the terms of this Agreement, provided that the Subordinate Lender may assign or grant participations to any affiliate which will be or be deemed to be bound by the terms of this Agreement.
14. **Further Assurances by the Borrower and the Registered Owner:** The Borrower and the Registered Owner hereby acknowledge this Agreement and the subordination of the priority of the Subordinate Security to the Amended Loan and the Senior Security to the same effect as if all monies secured or intended to be secured by the Senior Security were events prior to the creation and registration of the Subordinate Security and the advance of any monies secured by the Subordinate Security as have been or will be advanced, and the Borrower and the Registered Owner expressly agree to perform their respective obligations to the Senior Lender and the Subordinate Lender, to hold and deal with the Charged Property in accordance with the priorities set out in this Agreement, and to execute any instruments giving effect to such subordination and postponement as may be required by the Senior Lender or Subordinate Lender from time to time for such purpose.
15. **Enurement:** This Agreement will be binding on and enure to the benefit of the parties hereto and their respective successors and assigns.
16. **Governing Law:** This Agreement and all matters arising under it will be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.
17. **Headings:** All headings in this Agreement are inserted only for convenience of reference and are not to be considered in the construction or interpretation of a provision of this Agreement.
18. **Notice:** All notices and other communications (each referred to as the "Notice") permitted or required to be given to any of the parties hereto will be in writing and may be delivered personally or by courier or transmitted by facsimile to the following addresses or facsimile numbers or to such other address or facsimile number as will be designated by such party by notice in writing to the other parties to this Agreement.
- (i) to the Subordinate Lender at its address set out on page 3 of this Form C;
 - (ii) to the Senior Lender:

HSBC Bank Canada
6th Floor – 885 West Georgia Street
Vancouver, British Columbia, V6C 3G1
Attention: William Wang
Fax No.: +1 (514) 285 8638

The Notice will be deemed to have been received:

- (i) in the case of personal delivery or delivery by courier, when the Notice is delivered to the party receiving the Notice, unless the Notice was not delivered on a day upon which the Senior Lender is open for business in Toronto and Vancouver, British Columbia (a "**Business Day**"), or was delivered on a Saturday, Sunday or Canadian legal holiday, in which case the Notice will be deemed to have been delivered and received on the next Business Day; and
- (ii) in the case of facsimile, on the day the Notice was sent, unless the Notice was not received on a Business Day or was received after 4:00 p.m. (local time of the recipient) in which case the Notice will be deemed to have been given or made and received on the next Business Day.

- 19 **No Waiver:** No failure or delay on the part of the Senior Lender in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude any other or further exercise of any such power, right or privilege. All powers, rights and privileges hereunder are cumulative to, and not exclusive of, any powers, rights or privileges otherwise available.
- 20 **Waiver by Senior Lender:** The Senior Lender consents to and waives any default under the Senior Security that may otherwise have occurred by reason solely of the execution, delivery and registration of the Subordinate Security and the incurring of the indebtedness secured by the Subordinate Security.
- 21 **Provisions Severable:** If any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be severable from the rest of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 22 **Entire Agreement:** This Agreement constitutes the entire agreement between the Senior Lender and the Subordinate Lender with respect to the subject matter hereof and supersedes any prior written or oral agreements, undertakings, and understandings between them with respect to the subject matter hereof.

23. **Authorization:** The Subordinate Lender authorizes the Senior Lender or its representative or agent to complete in Item 3 of Part 1 and Paragraph B of Part 2 all appropriate LTO registration numbers if not already completed and, if necessary, to file a financing change statement in the Personal Property Registry to evidence the priority granted herein.

IN WITNESS WHEREOF, the Subordinate Lender has executed this Agreement at Item 8 of the General Instrument – Part 1 of this Form C.

ACKNOWLEDGED AND AGREED to by the Senior Lender, the Borrower and the Registered Owner as at the date set forth above in Part 2 of this Form C.

HSBC BANK CANADA

Per: William Wang
Name: William Wang
Title: Senior Director, Commercial Real Estate

Per: Jeff Parkes
Name: Jeff Parkes
Title: Vice President, Commercial Real Estate

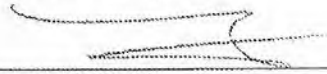
Page 12

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP

By its general partner

1075 NELSON DEVELOPMENT GP INC.


By its authorized signatory:



Name: KHENG LY

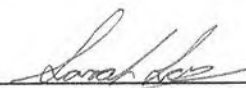
1075 NELSON DEVELOPMENT HOLDINGS INC.

By its authorized signatory:



Name: KHENG LY

This is **Exhibit "I"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For **Ontario**



Land Title Act

Charge

General Instrument – Part 1

NEW WESTMINSTER LAND TITLE OFFICE

JUL 07 2023 09:51:01.001

CB740646-CB740647

1. Application

Document Fees: \$156.34

GOWLING WLG (CANADA) LLP
Barristers & Solicitors, P.O. Box 30
Suite 2300 - 550 Burrard Street
Vancouver BC V6C 2B5
Phone No. (604) 683-6498

Matter No. V55753 / MEM & C Porter

2. Description of Land

PID/Plan Number Legal Description

031-725-953 LOT A BLOCK 7 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP118708

3. Nature of Interest

Type	Number	Additional Information
PRIORITY AGREEMENT	CB612313	Granting Mortgage CB612313 priority over Mortgage CB737261 and Assignment of Rents CB737262
PRIORITY AGREEMENT	CB612314	Granting Assignment of Rents CB612314 priority over Mortgage CB737261 and Assignment of Rents CB737262

4. Terms

Part 2 of this instrument consists of:

(b) Express Charge Terms Annexed as Part 2

5. Transferor(s)

TRAVELERS INSURANCE COMPANY OF CANADA LA COMPAGNIE D'ASSURANCE TRAVELERS DU CANADA, NO.A0064831

6. Transferee(s)

HSBC BANK CANADA
6TH FLOOR, 885 WEST GEORGIA STREET
VANCOUVER BC V6C 3G1

7. Additional or Modified Terms



Land Title Act
Charge
General Instrument – Part I

8. Execution(s)

This instrument creates, assigns, modifies, enlarges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Witnessing Officer Signature

Execution Date

Transferor / Transferee / Party Signature(s)

CHRISTOPHER D. FILIPCHUK
Barrister & Solicitor
Travelers Canada
2500 - 650 West Georgia Street
Vancouver BC V6B 4N7

(604) 698-8509

YYY-MM-DD

2023-07-05

**TRAVELERS INSURANCE COMPANY
OF CANADA**

By their Authorized Signatory

TAINA PHELAN

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 158.4 of the *Land Title Act*, R.S.B.C. 1996 c.250, that you certify this document under section 153.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**Charlene Rita
Joanes 89V183**

**Digitally signed by
Charlene Rita Joanes
89V183
Date: 2023-07-07
09:48:19 -07:00**

TERMS OF INSTRUMENT – PART 2**PRIORITY AND POSTPONEMENT AGREEMENT**

Jul 7, 2023

This Priority/Subordination Agreement (the "**Agreement**") is dated for reference _____, 2023.

BETWEEN:

TRAVELERS INSURANCE COMPANY OF CANADA having
an office at Suite 2500, 650 West Georgia Street, Vancouver,
British Columbia V6B 4N7

(the "**Grantor**" or the "**Subordinate Creditor**")

AND:

HSBC BANK CANADA, a Canadian chartered bank, having an
office at 6th Floor, 885 West Georgia Street, Vancouver, British
Columbia V6E 3G1

in its capacity as administrative agent for the Lenders (as defined
below)

(the "**Transferee**" or the "**Senior Creditor**")

WHEREAS:

- A. The Debtor has granted the Senior Creditor's Security in favour of the Senior Creditor;
- B. The Debtor has incurred or may incur the Debtor to Senior Creditor Liabilities;
- C. The Grantor has agreed, subject to certain conditions, to make the Grantor's Deposit Protection Insurance Facility available to the Debtor for the Project which facility is to be secured by the Grantor's Security; and
- D. The parties hereto have agreed to enter into this Priority and Subordination Agreement in order to set out the respective priorities of the Senior Creditor's Security and the Grantor's Security.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the sum of \$10.00 now paid by the Senior Creditor to the Grantor and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Senior Creditor and the Grantor covenant and agree as follows:

1. DEFINED TERMS

Unless the context otherwise requires, the following terms in this Agreement, including the Recitals, will have the following meanings:

V55750.56997093:9

"Charge" means any security interest, mortgage, charge (fixed or floating), pledge, hypothec, lien (statutory or otherwise), assignment, lease, conditional sale or other title retention agreement, trust or other encumbrance of any nature however arising.

"Debtor" means collectively, 1075 Nelson Development Holdings Inc., 1075 Nelson Development Limited Partnership and 1075 Nelson Development GP Inc., and each of their successors and permitted assigns.

"Debtor to Grantor Liabilities" means all present and future debts and liabilities of the Debtor to the Grantor.

"Debtor to Senior Creditor Liabilities" means all present and future debts and liabilities, direct and indirect (and including outstanding bank guarantees or letters of credit) of the Debtor to the Senior Creditor and the Lenders pursuant to the Senior Creditor's Credit Agreement.

"Debtor's Property" means the real property of the Debtor consisting of the Project Lands, and all present and after-acquired personal property and other assets and undertaking of the Debtor now or hereafter situate at, used in connection with, relating to, or arising out of the Project Lands and premises, and all direct and indirect proceeds thereof of whatever nature or kind, now or hereafter subject to the Senior Creditor's Security, including all present and future insurance proceeds payable in respect of any Debtor's Property and all claims therefor, and any reference to **"Debtor's Property"** will unless otherwise provided be deemed to refer to the Debtor's Property as a whole or any parts thereof.

"Grantor" means the party described in Item 5 of Part 1 hereof, and its successors and assigns.

"Grantor's Deposit Protection Insurance Facility" means the deposit protection insurance facility in the maximum amount of \$120,000,000 issued by the Grantor to the Debtor with respect to the Project pursuant to the British Columbia *Insurance Act*.

"Grantor's Guarantees" means all present and future guarantees and indemnities in favour of the Grantor in respect of the Debtor to Grantor Liabilities.

"Grantor's Security" means all present and future Charges and all present and future security documents that create Charges in favour of or held by the Grantor (or any predecessor thereof) in respect of the Debtor's Property, including, without limitation, the Charges described in Item 3 of Part 1 hereof registered in favour of the Grantor.

"Project" means the buildings and other improvements located upon and/or to be constructed on the Project Lands, including all related improvements and facilities.

"Project Lands" means the real property described in Item 2 of Part 1 hereof.

"Senior Creditor" means collectively, HSBC Bank Canada, in its capacity as administrative and collateral agent for and on behalf of itself, Bank of Montreal and the other financial institutions from time to time party to the Senior Creditor's Credit Agreement as lenders (collectively, the **"Lenders"**), and their respective successors and assigns, as the case may be, whether immediate or derivative.

"Senior Creditor's Credit Agreement" means the credit agreement between, *inter alios*, the Senior Creditor, the Lenders and the Debtor dated May 11, 2023, as it may be amended, modified or replaced from time to time, with respect to the provision of loan facilities to finance the development of the Project on the Project Lands

"Senior Creditor's Security" means all present and future Charges and all present and future security documents that create Charges in favour of or held by the Senior Creditor (or any predecessor thereof) or the Lenders, as the case may be with respect to the Debtor's Property, including, without limitation, the Charges described in Item 3 of Part 1 hereof registered in favour of the Senior Creditor.

2. GRANT OF PRIORITY

- 2.1 **General.** For and in consideration of the Lenders extending credit to or for the benefit of the Debtor and other good and valuable consideration, the Grantor grants priority to the Senior Creditor's Security over the Grantor's Security with respect to the Debtor's Property in all respects to the extent of the aggregate principal amount of \$95,400,000 (which priority limit will reduce to the extent that principal is irrevocably repaid to the Senior Creditor on account of non-revolving Debtor to Senior Creditor Liabilities) plus interest thereon, protective disbursements, cost overruns on the Project which are financed by the Lenders or any of them, and related costs and expenses to which the Senior Creditor is entitled under the Senior Creditor's Security and any other documents relating to the Debtor to Senior Creditor Liabilities.
- 2.2 **Trust.** All proceeds and other assets received by the Grantor arising from the Debtor's Property in connection with any enforcement of or realization on the Grantor's Security and, except as provided in section 2.9, all payments and other assets received by the Grantor from the Debtor on account of the Debtor to Grantor Liabilities will be held by the Grantor in trust for the Senior Creditor so as to give effect to the priorities provided for herein and will be paid over or otherwise provided to the Senior Creditor forthwith upon demand.
- 2.3 **Circular Priorities.** If any person, firm or corporation other than a party hereto is found by a court of competent jurisdiction to have a right to Debtor's Property in priority to the Senior Creditor but not in priority to the Grantor, then this Agreement will not apply so as to diminish the rights (as those rights would have been but for this Agreement) of the Grantor with respect to such Debtor's Property unless the Senior Creditor is diligently contesting such finding and has provided the Grantor with a satisfactory indemnity.
- 2.4 **Irrelevant Events and Circumstances.** The grant of priority provided for herein will apply in all events and circumstances regardless of
- (a) the dates of execution, delivery and registration of the Grantor's Security and the Senior Creditor's Security, and the dates of attachment, perfection and existence of the Charges created thereby;
 - (b) the dates of all past, present and future advances, re-advances and other extensions of credit made by the Grantor, the Senior Creditor or the Lenders for the benefit of the Debtor, and the dates of all other past, present and future liabilities incurred by the Debtor in favour of the Grantor, the Senior Creditor or the Lenders.

- (c) the dates of any past, present or future defaults by the Debtor under the Grantor's Security or the Senior Creditor's Security, and the dates of crystallization of any floating charges comprised in the Grantor's Security or the Senior Creditor's Security;
 - (d) the dates any demands for payment are made, the dates any notices are given, and any failure to make or give any such demands or notices;
 - (e) any contrary intention expressed in the Senior Creditor's Security, the Grantor's Security or any other documents; and
 - (f) any priority granted by any principle of law or equity or any statute, including the *Bank Act* and applicable personal property security legislation.
- 2.5 **Paramountcy of this Agreement.** If there is a conflict or inconsistency between the provisions of this Agreement and the provisions of any of the Grantor's Security or the Senior Creditor's Security, the provisions of this Agreement will prevail to the extent necessary to resolve such conflict or inconsistency so long as this Agreement is in force.
- 2.6 **Postponement of Debtor to Grantor Liabilities.** Subject to section 2.10, the Grantor postpones payment of the Debtor to Grantor Liabilities to the prior payment and satisfaction of the Debtor to Senior Creditor Liabilities, and agrees that it shall not receive any payments from the Debtor whether of principal, interest, fees, costs or expenses under the Debtor to Grantor Liabilities, while any of the Debtor to Senior Creditor Liabilities remains outstanding.
- 2.7 **Standstill.** The Grantor agrees that until repayment and satisfaction, to the extent set out in section 2.1, of all Debtor to Senior Creditor Liabilities, the Grantor will not, without the prior written consent of the Senior Creditor, commence any proceeding to enforce any of its remedies under or in connection with any such credit agreement, promissory note or similar agreement or the Grantor's Security until the earlier of:
- (a) ninety (90) days after the date of such default and thirty (30) days after written notice of such default has been given by the Grantor to the Senior Creditor, where such periods may run concurrently; and
 - (b) the date on which the Senior Creditor commences to enforce the Senior Creditor's Security against the Project Lands; and for greater certainty, it is agreed that the making of a demand for payment or the sending of a notice under s. 244 of the *Bankruptcy and Insolvency Act* or any other such preliminary step does not constitute the commencement of enforcement of the Senior Creditor's Security.

After the Senior Creditor commences to enforce the Senior Creditor's Security against the Project Lands and the Grantor has commenced any proceeding to enforce any of its remedies under or in connection with any such credit agreement, promissory note or similar agreement or the Grantor's Security in accordance with this Section 2.7, then, regardless of whether or not the Senior Creditor continues to enforce the Senior Creditor's Security, the Grantor shall not require any further consent from the Senior Creditor to continue its enforcement.

- 2.8 **Standstill – Grantor's Guarantees**. Section 2.7 applies *mutatis mutandis* to restrict the rights of the Grantor to make demand for payment under and to enforce any Grantor's Guarantees, except that the right of the Grantor to do so pursuant to subsection 2.7 in connection with any Grantor's Guarantees made by any Person other than the Debtor or a party that is also a guarantor under the Senior Credit Agreement, shall arise upon the giving of notices as contemplated thereby. Sections 2.2 and 2.6 shall not apply to any monies received by the Grantor from the enforcement of any Grantor's Guarantees as permitted by this section.
- 2.9 **Release of Deposit Monies**. Notwithstanding the foregoing in Section 2.7 above, the Senior Creditor acknowledges and agrees that, to the extent deposit monies are released to the Debtor pursuant to the Grantor's Security, the Senior Creditor shall have no right or claim to such deposit monies pursuant to the Senior Creditor's Security or any other agreement made between the Debtor and the Senior Creditor, or any charge or interest granted by the Debtor in favour of the Senior Creditor, in respect of the Senior Credit Agreement, provided that the Senior Creditor shall not at any time have a duty of care to the Grantor with respect to any such deposit monies which are in the Borrower's account with the Senior Creditor.
- 2.10 **Permitted Payments to Grantor**. Notwithstanding sections 2.2 and 2.6, until the Senior Creditor has given notice to the Grantor that the Debtor is in default under the Senior Creditor's Security, the Debtor is entitled to pay and the Grantor entitled to accept and retain payment of all fees and premiums payable by the Debtor to the Grantor in connection with the Grantor's Deposit Protection Insurance Facility so long as such fees and premiums are not derived from proceeds of the Debtor to Senior Creditor Liabilities. Upon the Senior Creditor giving notice to the Grantor that the Debtor is in default under the Debtor to Senior Creditor's Liabilities or Senior Creditor's Security, the Grantor shall not, without the prior written consent of the Senior Creditor, accept payment of any fees and premiums otherwise payable by the Debtor to the Grantor in connection with the Grantor's Deposit Protection Insurance Facility so long as the default continues. In addition to the foregoing, nothing in this Agreement will affect the Grantor's entitlement to any payments in respect of any home warranty insurance provided by the Grantor either to the Debtor or on account of the Project.
- 2.11 **Modification of Grantor's Security**. The rights, remedies and powers of the Grantor in connection with the Grantor's Security are hereby modified in accordance with the provisions hereof, and the terms and conditions of the Grantor's Security are hereby modified accordingly.
3. **REPRESENTATIONS, COVENANTS AND OTHER AGREEMENTS**
- 3.1 **Authority to Grant Priority**. The Grantor has good right, full power and lawful authority to enter into this Agreement and to agree to the grant of priority and postponement provided for herein, and all necessary directions have been given, all necessary resolutions have been passed and all other necessary steps have been taken to authorize the execution and delivery of this Agreement.
- 3.2 **Consent and Waiver by Grantor**. The Grantor consents to, and waives any default under the Grantor's Security that may otherwise have occurred by reason solely of, the execution, delivery and registration of the Senior Creditor's Security and the attachment,

perfection and existence of the Charges created thereby and the incurring of the Debtor to Senior Creditor Liabilities.

- 3.3 **Consent and Waiver by Senior Creditor.** The Senior Creditor consents to, and waives any default under the Senior Creditor's Security that may otherwise have occurred by reason solely of, the execution, delivery and registration of the Grantor's Security and the attachment, perfection and existence of the Charges created thereby and the incurring of the Debtor to Grantor Liabilities.
- 3.4 **Grantor Knowledge of Defaults.** The Grantor represents and warrants that, to the best of the Grantor's knowledge without independent investigation, none of the Grantor's Security is in default.
- 3.5 **Senior Creditor Knowledge of Defaults.** The Senior Creditor represents and warrants that, to the best of the Senior Creditor's knowledge without independent investigation, none of the Senior Creditor's Security is in default.
- 3.6 **PPSA Registrations.** In order to give notice in the Personal Property Registry of the grant of priority provided for herein, (to the extent required) the Grantor authorizes the Senior Creditor's solicitors to sign and file financing change statement(s) amending the financing statement(s) filed in respect of the Grantor's Security by adding the following text as an "Amendment/Other Change":
- "Subordination Agreement granting priority to the security interests in favour of HSBC Bank Canada perfected by Base Registration Nos. 437074P and 437082P over the security interests in favour of Travelers Insurance Company of Canada perfected by Base Registration No. 647856P."
- 3.7 **Notice by Grantor Prior to Demand and Enforcement.** Subject to section 2.7, the Grantor will, prior to making any demand for payment on the Debtor or proceeding to enforce any of the Grantor's Security, use commercially reasonable efforts to give the Senior Creditor 15 days' prior written notice of such demand or enforcement. The unintentional failure by the Grantor to give prior written notice shall not attract any liabilities or damages upon the Grantor or any of its officers, directors, employees, agents or advisors.
- 3.8 **Notice by Senior Creditor Prior to Demand and Enforcement.** The Senior Creditor will, prior to making any demand for payment on the Debtor or proceeding to enforce any of the Senior Creditor's Security, use commercially reasonable efforts to give the Grantor 5 days' prior written notice of such demand or enforcement. The unintentional failure by the Senior Creditor to give prior written notice shall not attract any liabilities or damages upon the Senior Creditor or any of its officers, directors, employees, agents or advisors. The Grantor shall have the right to cure any default under the Senior Creditor's Security which is curable within 5 days of the notice being given.
- 3.9 **Assignment.** The Grantor will not sell, assign, Charge, or otherwise dispose of any interest in the Grantor's Security or the Debtor to Grantor Liabilities except upon giving 10 days' prior written notice to the Senior Creditor and upon the proposed transferee executing and delivering to the Senior Creditor an agreement to be bound by the provisions hereof.

- 3.10 **Consents to Creation of Strata Lots and Project Development.** The Grantor covenants and agrees with the Senior Creditor to execute and deliver, promptly on request, all such subdivision plans, strata plans, consents, covenants, building schemes, rights of way, easements, land use contracts and other similar instruments and amendments thereto and priority agreements in connection therewith with respect to the development of the Project Lands as the Senior Creditor and the Debtor may execute and as the Senior Creditor may require the Grantor to execute.
- 3.11 **Further Assurances.** The Grantor will forthwith at all times, execute and deliver such further documents and do such other acts as the Senior Creditor requires, acting reasonably, in order to give effect to the intent of this Agreement.
- 3.12 **Indulgences.** The Senior Creditor may grant time, renewals, extensions, releases and discharges to, accept compositions from and otherwise deal with the Debtor as it may see fit, the whole without notice to any other party to this Agreement and without prejudice to or in any way limiting or affecting the rights of the Senior Creditor under this Agreement, provided that such grants, renewals or extensions do not increase the rate of interest pursuant to the Debtor to Senior Creditor Liabilities in existence as at the date of this Agreement above a rate consistent with the Senior Creditor's prevailing commercial rates in effect for loans of this nature and the related risk thereunder at such time or increase the principal sum above \$95,400,000 secured by the Senior Creditor's Security.
- 3.13 **Amendment, Waiver and Termination.** Neither this Agreement nor any provision hereof may be amended, waived or terminated in any respect except by an instrument in writing executed by the Grantor and the Senior Creditor, provided that no consent or execution by the Debtor will be necessary to any such amendment, waiver or termination.
- 3.14 **Communication.** No notice, consent or other communication in connection herewith will be effective unless it is in writing and is executed by the party giving the same or the party's authorized agent. Any notice to be given under this Agreement shall be in writing and shall be delivered by hand or transmitted by email or facsimile as follows:

if to the Grantor, to:

Travelers Insurance Company of Canada
Suite 2500 – 650 West Georgia Street
Vancouver, BC V6B 4N7

Attention: Taina Phelan
Email: TPhelan@travelers.com
Facsimile: (604) 682-3096

if to the Senior Creditor, to:

HSBC Bank Canada
6th Floor – 885 West Georgia Street
Vancouver, BC V6C 3G1

Attention: Andrew G. Gordon
Email: Andrew.g.gordon@hsbc.ca
Facsimile: (604) 641-1169

or to such other address that any party may designate in writing in accordance with this section and shall be deemed to have been received on the day following delivery or transmission by facsimile. Any notice so delivered shall be deemed given when so delivered if delivered on a business day or if not delivered on a business day then on the first business day after delivery.

- 3.15 **Copies of Agreement**. The Grantor acknowledges receipt of a copy of this Agreement.

4. **INTERPRETATION**

- 4.1 **Governing Law**. This Agreement will be governed by the laws in effect in British Columbia.
- 4.2 **Successors**. This Agreement will enure to the benefit of and be binding upon the parties and their respective heirs, personal representatives, successors and permitted assigns.
- 4.3 **Severability**. The invalidity or unenforceability of any provision of this Agreement will not affect the remaining provisions or the remainder of the impugned provision.
- 4.4 **Number and Gender**. Unless the context otherwise requires, words importing the singular will include the plural and vice versa, and words importing gender will include all genders.
- 4.5 **Headings**. Headings have been inserted for convenience of reference only and are not to affect interpretation.
- 4.6 **Entire Agreement**. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all oral agreements, undertakings and understandings among the parties with respect to the subject matter hereof.

[signature page follows]

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Jul 7, 2023

ACKNOWLEDGED AND AGREED to by the Senior Creditor this ____ day of _____, 2023.

HSBC BANK CANADA

Per: William Wang William Wang
Authorized Signatory

Senior Director, Commercial Real Estate

Per: Jeff Parkes Jeff Parkes
Authorized Signatory

Vice President Commercial Real Estate

This is **Exhibit "J"** referred to in the affidavit of Sylvia Kovesdi sworn before me at **Toronto, ON** this 11 day of July, 2025.



A Commissioner for taking Affidavits
For Ontario

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PETITIONER

AND:

1075 NELSON DEVELOPMENT LIMITED PARTNERSHIP
1075 NELSON DEVELOPMENT GP INC.
1075 NELSON DEVELOPMENT HOLDINGS INC.
BRIVIA FAMILY INVESTMENTS INC.
KHENG LY
1409658 B.C. LTD.
TRAVELERS INSURANCE COMPANY OF CANADA.

RESPONDENTS

CONSENT

Deloitte Restructuring Inc. hereby consents to its appointment as court-appointed receiver and receiver and manager of all of the assets, undertakings, and properties of 1075 Nelson Development Limited Partnership, 1075 Nelson Development Holdings Inc., and 1075 Nelson Development GP Inc., including all proceeds, if so appointed by this Honourable Court.

DATED at the City of Vancouver, Province of British Columbia, this 9th day of July, 2025.

Deloitte Restructuring Inc.

Per:



Name: Paul Chambers

Title: Senior Vice President