

This is the 4th affidavit
of Wen Yong Wang in this case
and was made on February 20, 2026

No. S-240493
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

FOX ISLAND DEVELOPMENT LTD. and ADVANCED VENTURE
HOLDING CO., LTD.

PETITIONERS

AND:

KENSINGTON UNION BAY PROPERTIES NOMINEE LTD. (FORMERLY
KNOWN AS 34083 YUKON INC.) KENSINGTON UNION BAY
PROPERTIES LIMITED PARTNERSHIP, KENSINGTON UNION BAY
PROPERTIES GP LTD., INTERNATIONAL TRADE CENTER
PROPERTIES LTD., SUNWINS ENTERPRISE LTD., MO YEUNG CHING
ALSO KNOWN AS MICHAEL CHING, MO YEUNG PROPERTIES LTD.,
SFT DIGITAL HOLDINGS 30 LTD., HOTEL VERSANTE LTD., BEEM
CREDIT UNION, MORTEQ LENDING CORP., CHUN YU IU, 1307510 B.C.
LTD., JEFFREY RAUCH, HEUNG KEI SUNG, AND RCC HOLDINGS LTD.

RESPONDENTS

4TH AFFIDAVIT of WEN YONG WANG

I, Wen Yong Wang, of Vancouver, British Columbia, SWEAR THAT:

1. I am the director of the Petitioner, Fox Island Development Ltd. ("**Fox Island**"), and have primary responsibility for the administration of the loans owing to Fox Island and Advanced

Venture Holding Co., Ltd. ("Advanced Venture"; together with Fox Island, the "Petitioners") by the respondents. As such I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based on information and belief, and where so stated I verily believe them to be true.

2. On June 14, 2021, Fox Island Development Ltd. ("**Fox Island**") entered into, among other things:
 - (a) a Loan Agreement with Hotel Versante Ltd. Attached and marked as **Exhibit "A"** is a true copy of the Loan Agreement;
 - (b) a General Security Agreement with Hotel Versante (the "**GSA**"). Attached and marked as **Exhibit "B"** is a true copy of the GSA; and
 - (c) an Assignment of Material Contracts (the "**Contracts Assignment**"). Attached and marked as **Exhibit "C"** is a true copy of the Contracts Assignment.

(collectively, the "**Security**").
3. Prior to Fox Island advancing funds to Hotel Versante under the Loan Agreement and Security:
 - (a) Fox Island was advised by Michael Ching that the hotel would operate under the name "Opus Hotel Versante";
 - (b) Fox Island requested all trademark and intellectual property-related agreements from Hotel Versante and Michael Ching; and
 - (c) in response to this request Hotel Versante provided Fox Island with a copy of the a Trade-Mark License Agreement dated May 22, 2014 between Opus Hotel Corporation, as licensor, and Hotel Versante Ltd., as licensee (the "**Opus License**").
4. Attached and marked as **Exhibit "D"** is a true copy of the Opus License.
5. As a result of the information and documents provided by Hotel Versante and Michael Ching, the Opus License was specifically included as a Material Contract within the Contracts Assignment thereby forming part of Fox Island's security package.

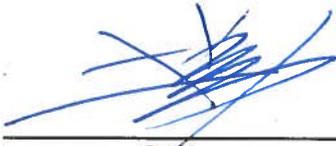
6. Shortly after Fox Island completed its loan, on or about August 1, 2021, Hotel Versante appears to have entered into a further Trademark License Agreement (the "**103 License**") with 1036524 B.C. Ltd. ("**103**"). Attached and marked as **Exhibit "E"** is a true copy of the 103 License.
7. On or about August 27, 2021, 103 appears to have applied to register the name "VERSANTE HOTEL" as a trademark. Attached and marked as **Exhibit "F"** is that trademark application.
8. Based on a corporate search, Michael Ching is the sole officer of 103 and his daughter Linda Ching is the sole director. Attached and marked as **Exhibit "G"** is a true copy of a B.C. Corporate Summary for 103 and a true copy of a notice of change of director filed February 19, 2026.
9. The 103 License appears to be executed by Michael Ching on behalf of both Hotel Versante and 103.
10. Prior to the commencement of foreclosure proceedings, Fox Island was not advised that the name "Versante" was subject to any registered or pending trademark held by an entity other than Hotel Versante; was not made aware of the existence of 103; and was not informed that control of the hotel's trademark or trade name had purportedly been transferred to 103 less than two months after the Fox Island loan to Hotel Versante had closed.
11. As reflected in both the GSA and the Contracts Assignment, Fox Island always intended to take security over all trademarks, trade names, and intellectual property of Hotel Versante, whether existing at the time of the loan or acquired thereafter. This intention is consistent with standard commercial lending practices where a lender is the principal secured creditor of an operating hotel business.
12. Had Fox Island been aware that 103 would purport to hold the "Versante" trademark and license it back to Hotel Versante, Fox Island would have required 103 to be a party to the

loan and Security documentation. Alternatively, Fox Island would have specifically referenced the 103 License, in addition to the Opus License, in the Contracts Assignment.

SWORN BEFORE ME at Vancouver, British Columbia, on February 20, 2026.



A Commissioner for taking Affidavits for British Columbia.



WEN YONG WANG

SHUI-YUEN CHOI
BARRISTER & SOLICITOR
NORTON ROSE FULBRIGHT CANADA LLP
SUITE 1800 - 510 WEST GEORGIA STREET
VANCOUVER, B.C. V6B 0M3
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ENDORSEMENT OF INTERPRETER

I, Shui-Yuen Choi, of 510 West Georgia Street, Suite 1800, Vancouver, BC V6B 0M3 Canada, lawyer, certify that:

1. I have a knowledge of the English and Mandarin languages and I am competent to interpret from one to the other.
2. I am advised by the person swearing or affirming the affidavit and believe that the person swearing or affirming the affidavit understands the Mandarin language.
3. Before the affidavit on which this endorsement appears was made by the person swearing or affirming the affidavit I correctly interpreted it for the person swearing or affirming the affidavit from the English language into the Mandarin language and the person swearing or affirming the affidavit appeared to fully understand the contents.

February 20, 2016
Date


Signature of Interpreter

SHUI-YUEN CHOI
BARRISTER & SOLICITOR
NORTON ROSE FULBRIGHT CANADA LLP
SUITE 1800 - 510 WEST GEORGIA STREET
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This is **Exhibit "A"** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.



A Commissioner for taking Affidavits for
British Columbia

SENIOR B LOAN AGREEMENT

THIS AGREEMENT dated for reference June 14, 2021

AMONG:

**34083 YUKON INC.,
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, and
KENSINGTON UNION BAY PROPERTIES GP LTD.**

(collectively, "**UB Borrowers**")

AND

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

("ITC Borrower"; together with UB Borrowers, collectively, the "**Borrowers**")

AND

**HOTEL VERSANTE LTD.
AND
SUNWINS ENTERPRISE LTD.
AND
MO YEUNG PROPERTIES LTD.
AND
MO YEUNG CHING**

(collectively, the "**Guarantors**")

AND:

**FOX ISLAND DEVELOPMENT LTD. ("Lender A")
AND
such other persons who may become a lender hereto from time to time**

(collectively, the "**Lenders**")

WHEREAS:

- (A) The ITC Borrower obtained from the ITC-Romspen Lender a construction loan in the principal amount of up to CAD\$25,600,000 pursuant to the ITC-Romspen Loan Agreement;
- (B) The ITC Borrower obtained from the ITC-Junior Lender a bridge term loan in the principal amount of up to CAD\$23,600,000 pursuant to the ITC-Junior Loan Agreement;
- (C) The UB Borrowers obtained from the UB Project Lenders a bridge term loan in the principal amount of up to CAD\$16,250,000 pursuant to the UB Project Loan Agreement;
- (D) The Borrowers wish to obtain the Loan from the Lenders, on a several basis, as senior bridge financing for the purposes and on the terms and conditions set forth herein;
- (E) The Borrowers wish to obtain, concurrent with the Loan, from the Senior A Lenders, on a several basis, another bridge financing in the principal amount of up to \$21,600,000 pursuant to Senior A Loan Agreement.

NOW THEREFORE in consideration of the mutual premises, covenants and agreements set forth herein and all other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. DEFINITIONS

In this Agreement:

- (a) **"Agreement"** means this loan agreement, as may be amended, supplemented, replaced and restated from time to time.
- (b) **"Bene Strata Lots"** has the meaning set out in Section 5.2(l)(1).
- (c) **"Business Day"** means any day except Saturday, Sunday and any day which is a statutory holiday in Vancouver, B.C.
- (d) **"CAD\$"** means the lawful money in Canada.
- (e) **"Ching"** means Mo Yeung CHING (also known as Michael CHING), and his personal representatives and permitted assigns.
- (f) **"Commitment Expiry Date"** has the meaning set out in Section 2.9.
- (g) **"Distributions"** means:
 - (1) the declaration, payment or setting aside for payment of any dividend or other distribution on or in respect of any equity interests in each Borrower;
 - (2) the redemption, retraction, purchase, retirement or other acquisition, in whole or in part, of any equity interest in each Borrower or any securities, instruments or contractual rights capable of being converted into, exchanged or exercised for shares in the capital thereof, including, without limitation, options, warrants, conversion or exchange privileges and similar rights; or
 - (3) the making of any loan or advance or any other provision of credit or financial assistance by each Borrower to any person,

whether any of the foregoing is made, paid or satisfied with or for cash, property or any combination thereof.
- (h) **"First Funding Date"** has the meaning set out in Section 2.1.
- (i) **"First Funding Outside Date"** has the meaning set out in Section 2.9.
- (j) **"Guarantors"** means, collectively:
 - (1) Hotel Versante Ltd.;
 - (2) MYPCo;
 - (3) Sunwins; and
 - (4) Ching.
- (k) **"Hotel"** has the meaning set out in Section 5.1(d).

- (l) **"Hotel Exclusive Amenities"** means the amenities for the exclusive use of the Hotel as set out in Section 5.1(g) and such other amenities as may be required for the proper and desirable management and operation of the Hotel.
- (m) **"Hotel Manager"** has the meaning set out in Section 5.1(e).
- (n) **"Hotel Property"** means, collectively, ITC ASP2 and ITC Remainder.
- (o) **"Hotel Property Commissioning"** has the meaning set in Section 5.1(h).
- (p) **"Hotel Property Commissioning Target Date"** has the meaning set in Section 5.1(i).
- (q) **"Hotel Property OP Issuance"** means the issuance by the City of Coquitlam of an unconditioned occupancy permit for the Hotel Property.
- (r) **"Hotel Property OP Issuance Target Date"** has the meaning set out in Section 5.1(h).
- (s) **"Hotel Property Specifications"** means, in respect of the Hotel Property Commissioning, the standards and qualities of the constructions, interior furnishing and installations:
 - (1) as specified or contemplated in the drawings, specifications and contracts that are delivered to the Lender pursuant to Sections 6.1(c)(4) and (5) below; and
 - (2) substantially as shown in the demonstration and mock-up suites that were displayed to the representative of the Lenders during the on-site visit of the Hotel Property conducted on March 26, 2021.
- (t) **"ITC ASP2", "ITC Bar" and "ITC Remainder"** means, respectively, the parcel of lands, together with the improvements thereon, having the legal description set out in Schedule A hereto.
- (u) **"ITC Property"** means, collectively, the Hotel Property and ITC Bar.
- (v) **"ITC-126 Agreement"** means the loan agreement dated as of August 25, 2020 between the ITC-126 Lender, and Ching, the ITC Borrower and Sunwins, as borrowers, as amended and extended pursuant to an agreement dated on or about April 20, 2021.
- (w) **"ITC-126 Indebtedness"** means the indebtedness owing to the ITC-126 Lender by ITC pursuant to the ITC-126 Loan Agreement.
- (x) **"ITC-126 Lender"** means 1260101 B.C. Ltd, its successors and assigns.
- (y) **"ITC-126 Security"** means:
 - (1) the mortgage and assignment of rents charging the ITC Property, registered in favour of the ITC-126 Lender under land title registration numbers CA8411144 (with respect to the mortgage), and CA8411144 (with respect to the assignment of rents); and
 - (2) all security agreements charging the personal property of ITC, Ching and Sunwins, respectively, in favour of the ITC-126 Lender, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 447781M.

- (z) **"ITC-Junior Indebtedness"** means the indebtedness owing by the ITC Borrower to ITC-Junior Lender under the ITC-Junior Loan Agreement.
- (aa) **"ITC-Junior Lender"** means Fox Island Development Ltd., its successors and assigns.
- (bb) **"ITC-Junior Loan Agreement"** means the amended and restated loan agreement dated for reference June 10, 2020, as amended by an amending agreement dated for reference January 16, 2021, among ITC, as borrower, ITC-Junior Lender, as lender, and the Borrowers (among others), as guarantors, as may be further amended, supplemented, replaced and restated from time to time.
- (cc) **"ITC-Junior Mortgage (23.6MM)"** and **"ITC-Junior Mortgage (UB Lot A)"** have their meaning set out in the definition of "ITC-Junior Security"; **"ITC-Junior Mortgage"** means either of them.
- (dd) **"ITC-Junior Security"** includes:
- (1) the mortgage and assignment of rents charging the Property (except UB Lot A), registered in favour of the ITC-Junior Lender under land title registration numbers CA7901075 (with respect to the mortgage) as extended by CA8244866 and modified by Modifications CA8244868 and CA8780468, and FB521301 (with respect to the assignment of rents) as extended by CA8244867 (the **"ITC-Junior Mortgage (23.6MM)"**);
 - (2) the mortgage and assignment of rents charging UB Lot A, registered in favour of the ITC-Junior Lender under land title registration numbers CA8244894 (with respect to the mortgage), and CA8244895 (with respect to the assignment of rents) (the **"ITC-Junior Mortgage (UB Lot A)"**); and
 - (3) all security agreements charging the personal property of the Obligants in favour of the ITC-Junior Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration numbers 909783L and 90979L.
- (ee) **"ITC-Romspen Hotel Indebtedness"** means the indebtedness owing by the ITC Borrower to the ITC-Romspen Lender under the ITC-Romspen Loan Agreement.
- (ff) **"ITC-Romspen Lender"** means Romspen Investment Corporation, its successors and assigns.
- (gg) **"ITC-Romspen Loan Agreement"** means the commitment letter dated June 25, 2015 between the ITC-Romspen Lender and ITC, as amended by supplemental agreements dated January 9, 2017, November 27, 2017, March 29, 2019, June 11, 2019 and dated October 22, 2019, respectively, and as extended by loan extension agreements dated April 1, 2020 and December 1, 2020, respectively.
- (hh) **"ITC-Romspen Security"** means:
- (1) the mortgage and assignment of rents charging the Hotel Property, registered in favour of the ITC-Romspen Lender under such land title registration numbers CA4543291 (with respect to the mortgage) as modified by Modifications CA5807048 and 6520612, and CA4543292 (with respect to the assignment of rents) as modified by Modifications CA5807049 and 6520613; and

- (2) all security agreements charging the personal property of the ITC Borrower in favour of the ITC-Romspen Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration number 733861.
- (ii) **"Lender's Proportion"** means, with respect to a Lender, at any time and from time to time, the proportion that the principal amount of the tranche of the Loan owing to that Lender bears to the aggregate principal amount of the Loan owing to all Lenders at such time.
- (jj) **"Lenders' Solicitors"** means Norton Rose Fulbright Canada LLP.
- (kk) **"Loan"** has the meaning set out in Section 2.1.
- (ll) **"Loan Amount"** means at any time the aggregate of:
- (1) the principal balance of the Loan then outstanding;
 - (2) all interest which has accrued on the then outstanding principal balance of the Loan; and
 - (3) all other monies then due and owing by the Borrowers at that time under this Agreement or otherwise in connection with the Loan.
- (mm) **"Loan Documents"** means, collectively, this Agreement, the Security Documents, and all other certificates, instruments, agreements and documents granted by any of the Obligants from time to time pursuant to this Agreement or otherwise in connection with the Loan.
- (nn) **"Majority Lenders"** means at any time any Lender or group of Lenders having Lender's Proportions in aggregate equal to or greater than 51%.
- (oo) **"Maturity Date"** has the meaning set out in Section 2.3.
- (pp) **"MYPCo"** means Mo Yeung Properties Ltd., its successors and permitted assigns.
- (qq) **"Obligants"** means, collectively, the Borrowers and Guarantors.
- (rr) **"Obligants' Solicitors"** means Pryke Lambert Leathley Russell LLP.
- (ss) **"Other Property"** means, collectively, SpaV-SL1, SpaV-SL2, and Residence-SL128.
- (tt) **"Permitted Encumbrances"** means the following:
- (1) in respect of the Property (except the Other Property), the ITC-Junior Security;
 - (2) in respect of the UB Property, the UB Project Security;
 - (3) in respect of the Hotel Property, the Senior A Security;
 - (4) in respect of the ITC Property, the ITC-126 Security, provided that it is subject to a priority and standstill agreement in form and substance acceptable to the Lenders, which agreement is registered against the ITC-Property;
 - (5) in respect of the UB Lot 1:
 - (A) the UB-VTB Security; and

(B) the UB-GF Security,

provided that, in each case, it is subject to a priority and standstill agreement in form and substance acceptable to the Lenders, which agreement is registered against the UB Lot 1;

- (6) in respect of the UB Lot 3, the UB-GF Security, provided that it is subject to a priority and standstill agreement in form and substance acceptable to the Lenders, which agreement is registered against the UB Lot 3;
- (7) in respect of the UB Lot A, the UB-VTB Security, provided that it is subject to a priority and standstill agreement in form and substance acceptable to the Lenders, which agreement is registered against the UB Lot A;
- (8) in respect of the SpaV-SL1:
- (A) the SpaV-BDC Security;
 - (B) the SpaV-Jin Security; and
 - (C) the SpaV-Kingdom Security;
- (9) in respect of the SpaV-SL3:
- (A) the SpaV-BDC Security;
 - (B) the SpaV-Jin Security; and
 - (C) the SpaV-Kingdom Security;
- (10) in respect of the Residence-SL128, the Residence-SL128-Morteq Security;
and
- (11) such other security interest as the Lenders may expressly permit in writing from time to time.
- (uu) **"Progress Report"** means a report, in form and substance acceptable to the Lenders, issued by an architect or quantity surveyor acceptable to the Lenders, confirming:
- (1) the cost of work in place
 - (2) the estimated cost to complete, on a line by line basis;
 - (3) the expected completion date;
 - (4) (in relation to the UB Lot 2 Development) that the budget is sufficient to complete the UB Lot 2 Site Servicing Works;
 - (5) (in relation to the Hotel Property) that the budget is sufficient to complete the construction of the Hotel Property and the Hotel Property Commissioning by the Hotel Property Commissioning Target Date; and
 - (6) such other subject matter as may be required by the Lenders,

in respect of (i) the Hotel Property, and (ii) UB Lot 2 Development, as the case may be.

- (vv) **"Property"** means, collectively:
- (1) the ITC Property; and
 - (2) the UB Property; and
 - (3) the Other Property.
- (ww) **"Repayment Reserve"** has its meaning set out in Section 3.5.
- (xx) **"Residence-SL128"** means the parcel of lands, together with the improvements thereon, having the legal description set out in Schedule C hereto.
- (yy) **"Residence-SL128-Morteq Indebtedness"** means the indebtedness owing to Residence SL128-Morteq Lender by MYPCo and secured by the Residence-SL128-Morteq Security.
- (zz) **"Residence-SL128-Morteq Lender"** means Morteq Lending Corp, its successors and assigns.
- (aaa) **"Residence-SL128-Morteq Security"** means:
- (1) the mortgage and assignment of rents charging Residence-SL128, registered in favour of the Residence-SL128-Morteq Lender under land title registration numbers CA8177818 (with respect to the mortgage), and CA8177819 (with respect to the assignment of rents); and
 - (2) all security agreements charging the personal property of MYPCo, in favour of the Residence-SL128-Morteq Lender, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 967285M.
- (bbb) **"Second Funding Date"** has the meaning set out in Section 2.1.
- (ccc) **"Second Funding Outside Date"** has the meaning set out in Section 2.9.
- (ddd) **"Security Documents"** means the documents listed in Section 4, as they may be amended, supplemented, replaced and restated from time to time.
- (eee) **"Senior A Indebtedness"** means the indebtedness owing by the ITC Borrower to the Senior A Lenders under the Senior A Loan Agreement.
- (fff) **"Senior A Lenders"** means, collectively, Lender A, Mr. Jeff Ding, Ms. Mudan Chen, Mr. Yuguo Sun., and Ms. Xingzhen Wang, their respective personal representatives, successors and assigns.
- (ggg) **"Senior A Loan Agreement"** means the Senior A Loan Agreement dated for reference June 14, 2021 between the Senior A Lenders and the Borrowers, as may be amended, supplemented, replaced and restated from time to time.
- (hhh) **"Senior A Mortgage"** has its meaning set out in the definition of "Senior A Security".

- (iii) **"Senior A Security"** includes:
- (1) the mortgage and assignment of rents charging the Hotel Property, registered in favour of the Senior A Lenders in the principal amount of not more than CAD\$21,600,000 (the **"Senior A Mortgage"**);
 - (2) all security agreements charging the personal property of the Obligants in favour of the Senior A Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration numbers 052170N and 052195N.
- (jjj) **"SpaV-SL1"** and **"SpaV-SL3"** means, respectively, the parcel of lands, together with the improvements thereon, having the legal description set out in Schedule C hereto.
- (kkk) **"SpaV-BDC Indebtedness"** means the indebtedness owing to the SpaV-BDC Lender by MYPCo and secured by the SpaV-BDC Security.
- (lll) **"SpaV-BDC Lender"** means Business Development Bank of Canada, its successors and assigns.
- (mmm) **"SpaV-BDC Security"** means:
- (1) the mortgage and assignment of rents charging SpaV-SL1, registered in favour of the SpaV-BDC Lender under land title registration numbers CA4158466 (with respect to the mortgage), and CA4158467 (with respect to the assignment of rents);
 - (2) the mortgage and assignment of rents charging SpaV-SL3, registered in favour of the SpaV-BDC Lender under land title registration numbers CA3987797 (with respect to the mortgage), and CA3987798 (with respect to the assignment of rents); and
 - (3) all security agreements charging the personal property of MYPCo, in favour of the SpaV-BDC Lender, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 194526I.
- (nnn) **"SpaV-Jin Indebtedness"** means the indebtedness owing to the SpaV-Jin Lender by MYPCo and secured by the SpaV-Jin Security.
- (ooo) **"SpaV-Jin Lender"** means Jin-Ocean Mortgage Investment Corporation, its successors and assigns.
- (ppp) **"SpaV-Jin Security"** means:
- (1) the mortgage and assignment of rents charging SpaV-SL1 and Spa SL3, registered in favour of the SpaV-Jin Lender under land title registration numbers CA8585810 (with respect to the mortgage), and CA8585811 (with respect to the assignment of rents); and
 - (2) all security agreements charging the personal property of MYPCo, in favour of the SpaV-Jin Lender, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 663915M.

- (qqq) **"SpaV-Kingdom Indebtedness"** means the indebtedness owing to the SpaV-Kingdom Lender by MYPCo and secured by the SpaV-Kingdom Security.
- (rrr) **"SpaV-Kingdom Lender"** means Kingdom Mortgage Limited Partnership, its successors and assigns.
- (sss) **"SpaV-Kingdom Lender GP"** means Kingdom Mortgage Fund GP Inc., as the general partner of the SpaV-Kingdom Lender, its successors in such capacity.
- (ttt) **"SpaV-Kingdom Security"** means:
- (1) the mortgage and assignment of rents charging SpaV-SL1 and SpaV-SL3, registered in favour of the SpaV-Kingdom Lender under land title registration numbers CA9068226 (with respect to the mortgage), and CA9068227 (with respect to the assignment of rents); and
 - (2) all security agreements charging the personal property of MYPCo, in favour of the SpaV-Kingdom Lender, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 980860M.
- (uuu) **"Sunwins"** means Sunwins Enterprise Ltd. (formerly known as Mo Yeung International Enterprise Ltd.), its successors and permitted assigns.
- (vvv) **"UB Lot 1", "UB Lot 2", "UB Lot 3", "UB Lot 4" and "UB Lot A"** means, respectively, the parcel of lands, together with the improvements thereon, having the legal description set out in Schedule B hereto.
- (www) **"UB Lot 2&3"** means, collectively, UB Lot 2 and UB Lot 3.
- (xxx) **"UB Lot 2 Development"** has the meaning set out in Section 5.2(e).
- (yyy) **"UB Lot 2 Development Works"** has the meaning set out in Section 5.2(g).
- (zzz) **"UB Lot 2 Sales Summary"** means the summary in respect of the sale of the UB Lot 2 Units, a copy of which is attached hereto as Schedule D, showing the approximate location of each such unit within the UB Lot 2 Strata Plan, names of the purchasers, the negotiated price and the sold price thereof (as applicable), and the amounts of deposits paid therefor.
- (aaaa) **"UB Lot 2 Site Servicing Works "** has the meaning set out in Section 5.2(g)(2).
- (bbbb) **"UB Lot 2 Strata Lots", and "UB Lot 2 Strata Plan"** has the meaning set out in Section 5.2(e).
- (cccc) **"UB Lot 2 Strata Disclosure Statement"** means the disclosure statement (including all amendments thereto) required under Part 2 of the *Real Estate Development Marketing Act* (British Columbia) for the sale of the UB Lot 2 Strata Lots.
- (dddd) **"UB Lot 2 Subdivided Parcel"** has the meaning set out in Section 5.2(e).
- (eeee) **"UB Lot 2 Unit"** means a UB Lot 2 Strata Lot or a UB Lot 2 Subdivided Parcel, as applicable.
- (ffff) **"UB Lot 2 Unit Net Sale Proceeds"** of a UB Lot 2 Unit means the gross sale proceeds from the sale of that unit, less the following:

- (1) all applicable sales and excise taxes; and
 - (2) all reasonable real estate commissions, reasonable customary adjustments (such as utilities and taxes) and reasonable closing costs, including legal fees and expenses incurred, provided that the aggregate amount of deductions pursuant to this paragraph (2) shall not exceed 5% of the purchase price of that parcel (or such other reasonable amount as may approved by the Lenders in their sole discretion).
- (gggg) **"UB Lot 2 Unit Sale Agreements"** means the purchase and sale agreements for the UB Lot 2 Units which:
- (1) as of the First Funding Date, have been entered into by the UB Owner in respect of such units with such purchasers for such prices, all as set out in the UB Lot 2 Sales Summary; and
 - (2) thereafter, may be entered into by the UB Owner from time to time.
- (hhhh) **"UB Lot 3 Net Sale Proceeds"** means the gross sale proceeds from the sale of UB Lot 3 or any part thereof, less the following:
- (1) all applicable sales and excise taxes; and
 - (2) all reasonable real estate commissions, reasonable customary adjustments (such as utilities and taxes) and reasonable closing costs, including legal fees and expenses incurred, provided that the aggregate amount of deductions pursuant to this paragraph (2) shall not exceed 5% of the purchase price of that parcel (or such other reasonable amount as may approved by the Lenders in their sole discretion).
- (iiii) **"UB Lot 3 Sale Agreements"** means the purchase and sale agreements for UB Lot 3 or any part thereof which may be entered into by the UB Owner from time to time.
- (jjjj) **"UB Master Development Agreement"** means the master development agreement dated for reference April 30, 2010 between the UB Nominee and the Comox Valley Regional District, which agreement is registered as a restrictive covenant on title to the UB Property under No. FB349802, as amended by an agreement registered on title to the UB Property under No. CA6517324.
- (kkkk) **"UB Nominee"** means 34083 Yukon Inc., its successors and permitted assigns.
- (llll) **"UB Owner"** means Kensington Union Bay Properties Limited Partnership, its successors and permitted assigns.
- (mmmm) **"UB Owner GP"** means Kensington Union Bay Properties GP Ltd., its successors and permitted assigns.
- (nnnn) **"UB Parks & Trails Transfer"** has the meaning set out in Section 5.2(d).
- (oooo) **"UB Property"** means, collectively:
- (1) UB Lot 1,
 - (2) UB Lot 2&3;
 - (3) UB Lot 4;

(4) UB Lot A.

(pppp) **"UB Project Indebtedness"** means the indebtedness owing to the UB Project Lenders by the UB Borrowers pursuant to the UB Project Loan Agreement.

(qqqq) **"UB Project Lenders"** means, collectively, Lender A, Advanced Venture Holding Co., Ltd. and 1078688 B.C. Ltd., their respective successors and assigns.

(rrrr) **"UB Project Loan Agreement"** means the loan agreement dated for reference April 15, 2021 among the UB Borrowers, as borrowers, UB Project Lenders, as lenders, and the ITC Borrower (among others), as guarantors, as amended by the UB Project Loan Amendment, as may be further amended, supplemented, replaced and restated from time to time.

(ssss) **"UB Project Loan Amendment"** means the amending agreement dated for reference June 14, 2021 among the UB Borrowers, as borrowers, UB Project Lenders, as lenders, and the ITC Borrower (among others), as guarantors.

(tttt) **"UB Project Permitted Pay-Down Reserve"** means the reserve in the amount of up to CAD\$7,600,000 to be funded out of the UB Lot 2 Unit Net Sale Proceeds and held in the trust account of the solicitors of the UB Project Lenders, pursuant to the terms of the UB Project Loan Agreement.

(uuuu) **"UB Project Security"** means:

- (1) the mortgage and assignment of rents charging the UB Property, registered in favour of the UB Project Lenders under land title registration numbers CA8965637 (with respect to the mortgage), and CA8965638 (with respect to the assignment of rents); and
- (2) all security agreements charging the personal property of the UB Borrowers, in favour of the UB Project Lenders, including, without limitation, such security agreements relating to the registration in the British Columbia Personal Property Registry under base registration number 921510M.

(vvvv) **"UB-GF Indebtedness"** means the indebtedness owing by the UB Borrowers to the UB-GF Lender under the UB-GF Loan Agreement.

(wwww) **"UB-GF Lender"** means Gulf and Fraser Fishermen's Credit Union, its successors and assigns.

(xxxx) **"UB-GF Loan Agreement"** means the loan agreement for a term loan in the principal amount of CAD\$17,500,000 dated April 14, 2021 between the UB-GF Lender and the UB Borrowers.

(yyyy) **"UB-GF Security"** means:

- (1) the mortgage and assignment of rents charging UB Lot 1 and UB Lot 3, registered in favour of the UB-GF Lender under land title registration numbers CA8962721 (with respect to the mortgage) and CA8962722 (with respect to the assignment of rents);
- (2) all security agreements charging the personal property of the UB Borrowers in favour of the UB-GF Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration number 365710L and 934709M;

- (3) all security agreements charging the personal property of the ITC Borrower in favour of the UB-GF Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration numbers 840715L; and
- (4) all security agreements charging the personal property of Ching in favour of the UB-GF Lender, including, without limitation, such security agreement relating to the registration in the British Columbia Personal Property Registry under base registration numbers 365710L, 339993M, and 339995M.

(zzzz) "**UB-VTB Lender**" means 3003297 Nova Scotia Company, its successors and assigns.

(aaaaa) "**UB-VTB Indebtedness**" means the indebtedness owing by the UB Borrowers to the UB-VTB Lender under the UB-VTB Agreement.

(bbbbb) "**UB-VTB Agreement**" means:

- (1) the purchase and sale agreement dated for reference October 2, 2017 between (among others) the UB-VTB Lender as vendor, and UB Holdings Ltd. as purchaser, as amended by an amending agreement dated December 7, 2017 and as assigned by UB Holdings Ltd. to the UB Borrowers; and
- (2) UB-VTB Security.

(ccccc) "**UB-VTB Security**" means the mortgage and assignment of rents charging UB Lot 1 and UB Lot A, registered in favour of the VTB Lender under land title registration numbers CA6518044, as modified by CA7889660 (with respect to the mortgage) and CA6518045, as modified by CA7889661 (with respect to the assignment of rents).

2. LOAN

2.1 Term Loan

Subject to the terms of this Agreement, the Lenders agree to make available to the Borrowers a non-revolving, term loan in the aggregate principal amount of CAD\$35,849,266.69 (the "Loan") to be divided in such tranches as follows:

- (a) a tranche ("**Tranche 1**") in the principal amount of CAD\$5,409,010.08, to be made available by Lender A;
- (b) a tranche ("**Tranche 2A**") in the principal amount of the lesser of (i) CAD\$17,386,259.54, and (ii) the sum of CAD\$15,600,000 plus the applicable amount of the Tranche 2A Interest Reserve pursuant to Section 2.5(b) below, to be made available by Lender A;
- (c) a tranche ("**Tranche 2B**"; together with Tranche 2A, collectively, "**Tranche 2**") in the principal amount of the lesser of (i) CAD\$8,916,030.53, and (ii) the sum of CAD\$8,000,000 plus the applicable amount of the Tranche 2B Interest Reserve pursuant to Section 2.5(c) below to be made available by Lender A;
- (d) a tranche ("**Tranche 3**") in the principal amount of the lesser of (i) CAD\$3,221,061.92, and (ii) the sum of CAD\$3,000,000 plus the applicable amount of the Tranche 3 Interest Reserve pursuant to Section 2.5(c) below to be made available by Lender A; and

- (e) a tranche ("**Tranche 4**", together with Tranche 1, Tranche 2 and Tranche 3, collectively, "**Tranches**") in the principal amount of CAD\$1,805,178.22, to be made available by Lender A.

Subject to Section 6 below:

- (f) each of Tranche 1 and Tranche 4 will be funded on June 14, 2021 (the "**First Funding Date**");
- (g) each of Tranche 2 and Tranche 3 will be funded on August 31, 2021, provided that the Lenders at any time may, by notice issued by the Lenders (or the Lenders' Solicitors on the Lenders' behalf) to the Borrowers:
 - (1) notify the Borrowers that the Lenders have prepared sufficient funds and are otherwise in position to make advances under Tranche 2 and Tranche 3; and
 - (2) designate such other date between July 1, 2021 and September 30, 2021 (the "**Second Funding Outside Date**"; August 31, 2021 or such other date so designated, the "**Second Funding Date**").

Each applicable Lender will deduct (and will be deemed to have deducted) from the proceeds of its tranche the applicable Interest Reserves (as defined in Section 2.5 below).

2.2 Purposes

Tranche 1 shall be used for the following purposes:

- (a) together with the Senior A Loan Agreement, finance the repayment of the ITC-Romspen Indebtedness in full;
- (b) fund the Tranche 1 Interest Reserve; and
- (c) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 2 shall be used for the following purposes:

- (d) finance the repayment of the ITC-Junior Indebtedness in full;
- (e) fund the Tranche 2A Interest Reserve and Tranche 2B Interest Reserve; and
- (f) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 3 shall be used for the following purposes:

- (g) finance the partial repayment of the ITC-126 Indebtedness to reduce the principal amount then owing by CAD\$3,000,000;
- (h) fund the Tranche 3 Interest Reserve; and
- (i) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 4 shall be used for the following purposes:

- (j) finance the Processing Fee payable by the Borrowers under this Agreement;

- (k) fund the Tranche 4 Interest Reserve; and
- (l) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

2.3 Term

Subject to the terms hereof:

- (a) the term of Tranche 1 is for approximately 6 months, commencing on the First Funding Date and ending on December 28, 2021;
- (b) the term of Tranche 2 is for approximately 6 months, commencing on the Second Funding Date and ending on March 21, 2022;
- (c) the term of Tranche 3 is for approximately 4 months, commencing on the Second Funding Date and ending on December 28, 2021;
- (d) the term of Tranche 3 is for approximately 6 months, commencing on the First Funding Date and ending on December 28, 2021,

(the foregoing end date in respect of each tranche, the "Maturity Date").

2.4 Interest

Interest shall accrue on the daily outstanding balance of the Loan at such per annum rates during such period as follows:

- (a) in respect of Tranche 1 and Tranche 4:
 - (1) from the First Funding Date up to and including December 14, 2021, 15% per annum; and
 - (2) from December 15, 2021, 30% per annum;
- (b) in respect of Tranche 2:
 - (1) from the Second Funding Date up to and including March 7, 2022, 15% per annum; and
 - (2) from March 8, 2022, 30% per annum;
- (c) in respect of Tranche 3:
 - (1) from the Second Funding Date up to and including December 14, 2021, 15% per annum; and
 - (2) from December 15, 2021, 30% per annum;

in all cases, calculated daily and compounded monthly, not in advance, from the First Funding Date (in respect of Tranche 1 and Tranche 4) and the Second Funding Date (in respect of all other tranches), until the date when the Loan Amount is paid in full, both before and after default, demand, maturity and judgment. Interest shall accrue on overdue interest at the same rate and in the same manner.

For greater certainty:

- (a) in respect of each of Tranche 1 and Tranche 4, interest shall accrue on that tranche of the Loan as of the First Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below have not been satisfied (or waived by the applicable Lenders) by the First Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder;
- (b) in respect of each of Tranche 2 and Tranche 3, interest shall accrue on that tranche as of the Second Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below for that tranche have not been satisfied (or waived by the applicable Lenders) by the Second Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder.

2.5 Interest Reserves

As security for the payment of the Loan Amount and all of the Borrowers' other obligations in respect of the Loan and under this Agreement, the Borrowers will establish interest reserves (the "Interest Reserves"), one for each tranche of the Loan, which shall be funded initially as follows:

- (a) for Tranche 1, in the amount of CAD\$409,010.08 (the "Tranche 1 Interest Reserve");
- (b) for Tranche 2A, in the amount equal to the amount of interest that will accrue on the entire principal amount of this tranche for the period commencing on the Second Funding Date up to the Maturity Date of this tranche (the "Tranche 2A Interest Reserve");
- (c) for Tranche 2B, in the amount equal to the amount of interest that will accrue on the entire principal amount of this tranche for the period commencing on the Second Funding Date up to the Maturity Date of this tranche (the "Tranche 2B Interest Reserve");
- (d) for Tranche 3, in the amount equal to the higher of the amount of interest that will accrue on the entire principal amount of this tranche for the period commencing on the Second Funding Date up to the Maturity Date of this tranche (the "Tranche 3 Interest Reserve");
- (e) for Tranche 4, in the amount of CAD\$136,501.15 (the "Tranche 4 Interest Reserve").

The initial amount of each Interest Reserve shall be deducted from the proceeds of the applicable tranche by the Lender of that tranche and shall be held and administered by that Lender.

2.6 Repayment

- (a) **Interest.** Commencing in the month after the First Funding Date, the Borrowers shall pay interest accrued on the then outstanding balance of the Loan on the same day of each month as the First Funding Date (or if that month does not have that day, the last day of that month; each such day, the "Payment Date"), until the Loan Amount is paid in full.

Provided that no Event of Default has occurred, and to the extent that there are sufficient funds in the applicable Interest Reserve, each Lender may deduct from the Interest Reserve maintained by that Lender on each Payment Date the amount of interest due on such date to that Lender and apply that amount to the outstanding interest. Notwithstanding the foregoing, monthly interest payments due on account of the Loan are the responsibility of the Borrowers. Nothing contained in this Agreement or in any Security Document will relieve the Borrowers from the obligation to pay such interest on the applicable Payment Date.

All funds remaining in the Interest Reserve of each Tranche on the applicable Maturity Date of that Tranche shall be applied to the Loan Amount owing on that date.

- (b) **Lump Sum Payments.** The Borrower shall pay to the Lenders the then outstanding balance of each Tranche in full on the applicable Maturity Date of that Tranche, provided that the then outstanding balance of the Loan Amount not already paid shall be due and payable in full on the latest of the Maturity Dates of all Tranches.

2.7 Payments

- (a) **Application of Payments.** Payments made on account of the Loan Amount will be applied when received in the following order:

- (1) firstly, in payment of outstanding fees and costs pursuant hereto or to other Loan Documents which have accrued to the date such payment is received;
- (2) secondly, in payment of outstanding interest on the Loan which has accrued to the date such payment is received;
- (3) thirdly, in payment of the principal balance of Tranche 1, Tranche 3 and Tranche 4 then outstanding, *pro rata* among all such tranches; and
- (4) fourthly, in payment of the principal balance of Tranche 2A and Tranche 2B then outstanding, *pro rata* among all such tranches.

Notwithstanding the foregoing, if there is an Event of Default, then any payment received by any of the Lenders on account of the Loan Amount may be applied in such order and in such manner as the Lender, in their sole discretion, may determine.

- (b) **Business Day.** If a payment under this Agreement or any other Loan Document is due on a day other than a Business Day, then such payment shall be made on the immediately following Business Day. Any payment received by a Lender after 12 p.m. (Vancouver, B.C. local time) on any Business Day will be deemed to be received by that Lender on the next Business Day.
- (c) **Form of Payment.** Unless otherwise specified herein, the Borrowers shall make each payment in relation to the tranche of the Loan in the currency of that tranche in immediately available funds. All payments to be made by the Borrowers to each Lender shall be made by wire transfer pursuant to instructions delivered in writing to the Borrowers on or prior to the applicable Funding Date or as each Lender may designate in writing from time to time upon five Business Days' notice to the Borrowers.

2.8 Processing Fee

The Borrowers shall pay to Lender A a processing fee (the "Processing Fee") in the sum of CAD\$1,668,677.07.

The Processing Fee is non-refundable and will be earned by Lender A upon the issuance of this Agreement to the Borrowers, and due to Lender A on the earlier of (i) the date on which any tranche of the Loan is advanced, or (ii) the First Funding Outside Date.

For greater certainty, the Processing Fee is earned and payable as provided above in this Section 2.8, even if any of the conditions set out in Section 6 is not satisfied (or waived by the applicable Lender) and any tranche of the Loan is not advanced, or if any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder, or if the Loan is cancelled pursuant to Section 2.9 below.

2.9 Commitment Expiry; Commitment Compensation

The Loan will be cancelled and the Lenders will not be obligated to advance under any tranche of the Loan, if:

- (a) the Borrowers notify to the Lenders in writing that they do not intend to draw on any one or more of the tranches of the Loan (the date on which the Lenders receive such notification, the "**Borrowers' Cancellation Date**");
- (b) unless the Lenders in their sole decision agree otherwise, any of Tranche 1 or Tranche 4 has not been advanced to the Borrowers by August 10, 2021 (the "**First Funding Outside Date**"); or
- (c) unless the Lenders in their sole decision agree otherwise, any of Tranche 2A, Tranche 2B or Tranche 3 has not been advanced to the Borrowers by the Second Funding Outside Date,

provided that, in compensation to the Lenders for their costs in sourcing and committing funds in anticipation of advancing under the Loan, the Borrowers shall pay to each Lender a sum (each, a "**Commitment Compensation**") equal to the amount of interest that would have accrued on the principal amount of each tranche made available by that Lender which has not been advanced, for a period of 61 days, plus:

- (d) in respect of Tranche 1 and Tranche 4, the number of days from the First Funding Date and up to and including the earlier of the First Funding Outside Date and the Borrowers' Cancellation Date; and
- (e) in respect of Tranche 2 and Tranche 3, the number of days from the Second Funding Date and up to and including the earlier of the Second Funding Outside Date and the Borrowers' Cancellation Date (or zero, if the Borrowers' Cancellation Date precedes the Second Funding Date).

The Commitment Compensations shall be due and payable to the Lenders on the earliest of the Borrowers' Cancellation Date, the First Funding Outside Date and the Second Funding Outside Date (as applicable).

3. SALES OF UB LOT 2 UNITS AND UB LOT 3

3.1 Notices

The Borrowers shall deliver (and cause to be delivered) to the Lenders the following:

- (a) a copy of a UB Lot 2 Unit Sale Agreement or UB Lot 3 Sale Agreement that has been entered into by UB Owner since the First Funding Date (to the extent not provided under Section 6.1(d)(6) below); and
- (b) a copy of the notice of completion in respect of the sale of each UB Lot 2 Unit or UB Lot 3 (or any part thereof) in accordance with the applicable UB Lot 2 Unit Sale Agreement or UB Lot 3 Sale Agreement, concurrently upon delivering the same to the applicable purchaser.

3.2 UB Lot 2 Units – Repayment Reserve; Partial Discharges

Upon the completion of the sale of a UB Lot 2 Unit pursuant to the applicable UB Lot 2 Unit Sale Agreement:

- (a) the UB Owner shall deliver to the Lenders a signed copy of the vendor's final statements of adjustments relating to that sale;

- (b) subject to the UB Owner having funded the UB Project Permitted Pay-Down Reserve, the UB Owner shall promptly pay 100% of the UB Lot 2 Unit Net Sale Proceeds by wire transfer to the trust account of the Lenders' Solicitors, to be held as Repayment Reserve in accordance with Section 3.5, until sufficient sum has been paid to effect repayment in full of Tranche 1, Tranche 3 and Tranche 4 on their applicable Maturity Dates; and
- (c) provided that there is no Event of Default and no outstanding event which, with the passing of time, the giving of notice or otherwise, would constitute an Event of Default, the Lenders will execute and deliver a partial discharge (prepared by and at the expense of the Borrowers) of the UB Mortgage (as defined in Section 4.1(c) below) and other applicable Security Documents with respect to that UB Lot 2 Unit, subject to the Lenders' Solicitors confirming to the Lenders of their receipt of the amount payable pursuant to Section 3.2(b) above.

3.3 UB Lot 2 Units – Additional Partial Discharges

Provided that all of the following conditions have been satisfied:

- (a) all of Tranche 1, Tranche 3 and Tranche 4 have been repaid in full in accordance with the terms on their respective Maturity Dates; and
- (b) there is no Event of Default and no outstanding event which, with the passing of time, the giving of notice or otherwise, would constitute an Event of Default,

then, upon request of the Borrowers, the Lender will execute and deliver a partial discharge (prepared by and at the expense of the Borrowers) of the UB Mortgage and the other applicable Security Documents with respect to all UB Lot 2 Units (to the extent they have not been discharged pursuant to Section 3.2(c) above).

3.4 UB Lot 3 – Repayment Reserve; Partial Discharges

Upon the completion of the sale of UB Lot 3 (or any part thereof) pursuant to the applicable UB Lot 3 Sale Agreement:

- (a) the UB Owner shall deliver to the Lenders a signed copy of the vendor's final statements of adjustments relating to that sale;
- (b) subject to the UB Owner having repaid the UB-GF Indebtedness up to the principal amount of CAD\$17,500,000 (or otherwise permitted by the UB-GF Lender), the UB Owner shall promptly pay 100% of the UB Lot 3 Net Sale Proceeds by wire transfer to the trust account of the Lenders' Solicitors, to be held as Repayment Reserve in accordance with Section 3.5; and
- (c) provided that there is no Event of Default and no outstanding event which, with the passing of time, the giving of notice or otherwise, would constitute an Event of Default, the Lenders will execute and deliver a partial discharge (prepared by and at the expense of the Borrowers) of the UB Mortgage and other applicable Security Documents with respect to the UB Lot 3 (or the applicable thereof that is being sold), subject to the Lenders' Solicitors confirming to the Lenders of their receipt of the amount payable pursuant to Section 3.4(b) above.

3.5 Repayment Reserve

To facilitate the repayment in full of the Loan Amount on their applicable Maturity Dates and otherwise in accordance with the terms hereof, the Borrowers will establish a reserve (the "Repayment Reserve"),

which shall be held in the trust account of the Lenders' Solicitors and funded by the UB Lot 2 Unit Net Sale Proceeds and the UB Lot 3 Net Sale Proceeds which, in both cases, are paid to the Lenders' Solicitors from time to time in accordance with Section 3.2(b) and Section 3.4(b) above.

The balance of the Repayment Reserve shall be applied as follows:

- (a) Subject to the Lenders confirming to the Borrowers and the Lenders' Solicitors that there are sufficient funds in the Repayment Reserve to effect the repayment in full of Tranche 1, Tranche 3 and Tranche 4 on their respective Maturity Dates in accordance with the terms of this Agreement, the funds so held in the Repayment Reserve shall be withdrawn and paid to the Lenders to repay those Tranches on their respective Maturity Dates accordingly, which withdrawal is hereby irrevocably authorized and directed by the Borrowers; and
- (b) If Tranche 1, Tranche 3 and Tranche 4 have been repaid in full, then the funds held in the Repayment Reserve shall be withdrawn and paid to the Lenders to repay Tranche 2 on the Maturity Date of that tranche accordingly, which withdrawal is hereby irrevocably authorized and directed by the Borrowers.

Until the funds are so paid pursuant to the preceding paragraph, the Repayment Reserve shall be held as security for the payment of the Loan Amount and all of the Borrowers' other obligations in respect of the Loan and under this Agreement, and may be administered as follows:

- (c) Neither the Lenders nor any other person is obligated to pay any interest on the balance in the Repayment Reserve.
- (d) The Lenders may, in their sole discretion and without obligation, direct the Lenders' Solicitors to invest the funds in the Repayment Reserve in an interest-bearing account, and any interest or return so accrued thereon shall be added to the balance of the reserve, and the Borrowers shall have no right to collect or withdraw any such interest or return or the balance in the reserve, except to effect the repayment of the Loan Amount in accordance with the terms hereof.
- (e) For greater certainty, notwithstanding the restrictions and conditions in respect of the funds in the Repayment Reserve:
 - (1) Until paid to effect any repayment of the Loan Amount in accordance with the terms hereof, such funds shall be (and shall remain to be) the property of the Borrowers, which shall be solely responsible to pay any taxes that may be exigible in relation thereto (including, without limitation, any interest or return accrued thereon);
 - (2) Except as specifically provided in this Section 3.5, the Borrowers shall have no right to withdraw or request funds from the Repayment Reserve, or to assign, transfer or grant a security interest in the Repayment Reserve to any third party; and
 - (3) The Borrowers shall continue to be indebted to the Lenders under the Loan and shall remain obligated to pay interest on the Loan pursuant to the terms hereof, without any reduction or allowance on account of the balance in the Repayment Reserve.

4. SECURITY

4.1 Security Documents

As security for the repayment of the Loan Amount and performance of the obligations of the Borrowers to the Lenders, the Borrowers shall grant, or cause to be granted, to the Lenders the following documents, each in form and substance to the satisfaction of the Lenders (collectively, the "Security Documents"):

- (a) mortgage, including the terms of an assignment of rents, in favour of the Lenders charging the Hotel Property granted by the ITC Borrower (the "ITC Hotel Mortgage") in the principal amount of CAD\$3,400,000, provided that the principal amount thereof shall be increased to CAD\$37,000,000 on or prior to any advance under Tranche 2 and Tranche 3;
- (b) mortgage, including the terms of an assignment of rents, in favour of the Lenders charging the ITC Bar in the principal amount of CAD\$37,000,000 granted by the ITC Borrower (the "ITC Bar Mortgage"), provided that the ITC Bar Mortgage shall only be granted and registered on or prior to any advance under Tranche 2 and Tranche 3;
- (c) mortgage, including the terms of an assignment of rents, in favour of the Lenders charging the UB Property granted by the UB Nominee (the "UB Mortgage") in the principal amount of CAD\$7,300,000, provided that the principal amount thereof shall be increased to CAD\$37,000,000 on or prior to any advance under Tranche 2 and Tranche 3;
- (d) beneficiary authorization and charge agreement relating to the UB Property granted by the UB Nominee and the other UB Borrowers in favour of the Lenders;
- (e) mortgage, including the terms of an assignment of rents, in favour of the Lenders charging the SpaV-SL1 and SpaV-SL3 in the principal amount of CAD\$5,000,000 granted by MYPCo (the "SpaV Mortgage");
- (f) mortgage, including the terms of an assignment of rents, in favour of the Lenders charging the Residence-SL128 in the principal amount of CAD\$1,500,000 granted by Ching (the "Residence Mortgage");
- (g) general security agreement granted by the Borrowers and the other Obligants creating in favour of the Lender a security interest in all of its present and after-acquired personal property;
- (h) assignment by the Borrowers of the Interest Reserves and the Repayment Reserve;
- (i) assignment of all of the Borrowers' and (if applicable) the Hotel Operator's right, title and interest in:
 - (1) all construction contracts, plans and permits, warranties, licences and other material contracts, relating to any construction and development of the ITC Property and the Hotel,
 - (2) all agreements and licences in respect of the management of the Hotel and the licence for the use of the trademark "Opus Hotel" for the Hotel (the "Hotel Management and License Agreements"), and (iii) all agreements in respect of the use of and access to the Hotel Exclusive Amenities (the "Hotel Exclusive Amenities Agreements");

- (3) all construction contracts, plans and permits, warranties, licences and other material contracts, relating to any construction and development in respect of the UB Lot 2 Site Servicing Works and the other UB Property;
- (j) assignment of all of the Borrowers' right, title and interest in all contracts relating to the sale or refinancing of all or any portion of (i) the Hotel Property and all or any portion of the other ITC Property, and (ii) the UB Lot 2 Units, the UB Lot 3 and all or any portion of the other UB Property, and in the case of any sale, of all deposits paid and received in connection with same;
- (k) postponement and assignment of claims granted by the Borrowers and the Guarantors, their respective shareholders, applicable affiliates, and any persons not dealing at arm's length with the Borrowers or the Guarantors;
- (l) unlimited joint and several guarantee by the Guarantors to pay the Loan Amount and observe and perform all other obligations and liabilities of the Borrowers hereunder and under the Security Documents;
- (m) joint and several environmental indemnity agreement in respect of the Property by the Obligants;
- (n) cost overrun, completion and debt service agreement in respect of (i) the ITC Property and the Hotel, and (ii) the UB Property and the UB Lot 2 Site Servicing Works by the Obligants;
- (o) priority and standstill agreement between the Lenders and the Senior A Lenders, relating to the Senior A Security and all other security held by the Senior A Lenders from the Obligants (the "Senior A / Senior B Priority Agreement");
- (p) priority and standstill agreement between the Lenders and the ITC-126 Lender, relating to the ITC-126 Security and all other security held by the ITC-126 from the Obligants (the "Senior B / ITC-126 Priority Agreement"),

and such other security as the Lender may reasonably require.

4.2 Ranking

The Security Documents described in Section 4.1(a) to (j) above will rank:

- (a) as first charge against the Interest Reserves;
- (b) in respect of the ITC Hotel Mortgage:
 - (1) until the principal amount thereof is increased as provided under Section 4.1(a), as third charge against the Hotel Property, subject and subordinate only to the Senior A Security and the ITC-Junior Security; and
 - (2) otherwise, as second charge against the Hotel Property, subject and subordinate only to the Senior A Security;
- (c) in respect of the ITC Bar Mortgage, when registered, as first charge against the ITC Bar;
- (d) in respect of the UB Mortgage:
 - (1) until the principal amount thereof is increased as provided under Section 4.1(c):

- (A) as fifth charge against UB Lot 1, subject and subordinate only to the UB-VTB Security, the UB-GF Security, the ITC-Junior Security and the UB Project Security;
 - (B) as third charge against UB Lot 2 and UB Lot 4, subject and subordinate only to the ITC-Junior Security and the UB Project Security;
 - (C) as fourth charge against UB Lot 3, subject and subordinate only to the UB-GF Security, the ITC-Junior Security and the UB Project Security; and
 - (D) as fourth charge against UB Lot A, subject and subordinate only to the UB-VTB Security, the ITC-Junior Security and the UB Project Security;
- (2) otherwise:
- (A) as fourth charge against UB Lot 1, subject and subordinate only to the UB-VTB Security, the UB-GF Security and the UB Project Security;
 - (B) as second charge against UB Lot 2 and UB Lot 4, subject and subordinate only to the UB Project Security;
 - (C) as third charge against UB Lot 3, subject and subordinate only to the UB-GF Security and the UB Project Security; and
 - (D) as third against UB Lot A, subject and subordinate only to the UB-VTB Security and the UB Project Security;
- (e) in respect of the SpaV Mortgage:
- (1) as third charge against SpaV-SL1, subject and subordinate only to the SpaV-BDC Security and the SpaV-Jin Security; and
 - (2) as third charge against SpaV-SL3, subject and subordinate only to the SpaV-BDC Security and the SpaV-Jin Security;
- (f) in respect of the Residence Mortgage, as second charge against Residence-SL128, subject and subordinate only to the Residence-SL128-Morteq Security..

4.3 Priority Agreements

The Security Documents described in Sections 4.1(o) to 4.1(p) (collectively, the "Priority Agreements") shall provide the following:

- (a) in all cases, the Lenders' right to deduct any amount out of the Interest Reserves shall not be restricted;
- (b) in the case of the Senior A / Senior B Priority Agreement:
 - (1) the Lenders' right to receive any payments on account of the Loan Amount from any sources whatsoever (other than proceeds from any sale of the Hotel Property or recovery from any enforcement actions against the Hotel Property) shall not be restricted, whether before or after an Event of Default or a demand under this Agreement;

- (2) the Lenders may receive and retain payments on account of interest, principal and all other amounts in respect of the Loan Amount, unless the Lenders have received a notice from the Senior A Lenders that an Event of Default (as defined in the Senior A Loan Agreement) has occurred or a demand has otherwise been issued;
 - (3) upon the issuance of notice of demand by the Senior A Lenders in respect of the Senior A Indebtedness, the Senior A Lenders shall deliver a copy of such notice to the Lenders concurrently. At any time after the Lenders have received such notice, any one or more or all of the Lenders may, but is not obligated to, purchase from the Senior A Lenders their respective interest in the Senior A Indebtedness and the Senior A Security. Unless the Lenders and the Senior A Lenders agree otherwise, the purchase shall complete within 30 days after the Lenders have delivered a notice to the Senior A Lenders requiring a sale of the Loan, and the purchase price shall be equal to the Senior A Indebtedness then owing on the day of such sale;
- (c) in the case of the Senior B / ITC-126 Priority Agreement:
- (1) the ITC-126 Lender's right to initiate any enforcement action under the Security Documents shall be subject to the ITC-126 Lender delivering to the Lenders a 5 days' prior notice of its intention to initiate such action;
 - (2) the principal amount of the ITC-126 Indebtedness shall not at any time exceed (i) \$6,000,000 during the term of the Loan up to the date of the advance under Tranche C, and (ii) \$3,000,000, thereafter; and
 - (3) the ITC-126 Lender may receive and retain payments on account of interest, principal and all other amounts in respect of the ITC-126 Indebtedness, unless the ITC-126 Lender has received a notice from the Lenders that an Event of Default has occurred or a demand has otherwise been issued.

5. REPRESENTATIONS AND WARRANTIES

The representations and warranties set out in this Section 5 shall survive the execution and delivery of this Agreement. No investigation at any time made by or on behalf of the Lender shall diminish in any respect whatsoever the Lender's rights to rely on such representations and warranties.

5.1 ITC Property

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the ITC Borrower is the sole legal and beneficial owner of the Hotel Property and the ITC Bar;
- (b) the Hotel Property consists of ITC Remainder and ITC ASP2;
- (c) ITC Remainder is a single legal parcel, which is the remainder of a certain legal parcel after the deposit of the air space parcel plan which created five other air space parcels (including ITC ASP2). The ITC Remainder is improved with a five-storey podium structure, which contains parking stalls and a common garden / patio area located on level 6 of the ITC Remainder between the buildings constructed, respectively, on air space parcels 3 and 5 (both of which are of the same air space plan as ITC ASP2) for the use of the owners and licensees of ITC ASP2 and the other airspace parcels;

- (d) ITC ASP2 consists of a single airspace parcel, being improved with a full-service, 14-storey hotel facility, with a total floor area of approximately 94,415 square feet, with 100 guest rooms, a roof-top patio lounge and swimming pool and other related amenities, which will be for the exclusive use of the Hotel and its guests (the "Hotel");
- (e) the completed Hotel will be known as Opus Hotel Versante. The ITC Borrower will operate the Hotel through Hotel Versante Ltd., which has engaged Trilogy Hotel Management (Richmond) Ltd., an affiliate of Trilogy Management and Opus Hotels Corporation (the "Hotel Manager") for the management and operation of the Hotel;
- (f) the Hotel Property and the ITC Bar form a part of a mixed-use development complex that will be known as the International Trade Centre at Versante (the "Complex") that will comprise of the Hotel, commercial, office and retail components;
- (g) the Complex includes the ITC Remainder, which provides approximately 333 parking stalls, 84 of which will be for the exclusive use of the Hotel and its guests, located on Parking Level 5 of the Remainder;
- (h) the construction and interior furnishing of the Hotel, the Hotel Property are expected to be fully completed, in order to achieve Hotel Property OP Issuance by June 14, 2021 (the "Hotel Property OP Issuance Target Date");
- (i) the hotel, the restaurant and other facilities located within the Hotel Property and all other works and services required for the commissioning of those facilities (collectively, the "Hotel Property Commissioning"), all substantially up to the Hotel Property Specifications, are expected to be substantially completed by July 1, 2021 (the "Hotel Property Commissioning Target Date");
- (j) the ITC Bar is located on the ground floor of the north tower of the Complex, with an area of approximately 3,164 square feet;
- (k) the ITC Bar will be part of a private membership club, known as Club Versante, and will be used as a whisky bar, known as Cask, with tasting room and private whisky lockers; and
- (l) the appraisal report and the stage 1 environmental assessment provided by or on behalf of the Borrowers to the Lenders in accordance with Section **Error! Reference source not found.** are the most recent ones prepared in respect of the Hotel Property, and there are no other similar reports or assessments that are in the possession of the Borrowers or otherwise under the control or accessible by the Borrowers which have not been provided to the Lenders.

5.2 UB Property

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the UB Nominee is the sole legal owner of the UB Property, holding the title thereto as bare trustee for the sole benefit of the UB Owner;
- (b) the UB Property is located in Union Bay on the east coast of Vancouver Island, within the Comox Valley;
- (c) the UB Property has an area of approximately 789 acre, and consists of 3 phases:

- (1) phase 1 consists of UB Lot 2 (with an area of approximately 23.99 acres) and UB Lot 3 (with an area of approximately 17.52 acres), with a total area of approximately 41.52 acres, and they are located to the east of Highway 19;
- (2) phase 2 consists of UB Lot 4 and UB Lot A, with a total area of approximately 162 acres (of which UB Lot 4 consists an area of approximately 131 acres), and they are located to the west of Highway 19; and
- (3) phase 3 consists of UB Lot 1, with a total area of approximately 583 acres, the majority of which is located to the west of Highway 19,

anticipated to comprise of a total of approximately 3,000 residential units, 2 hotels and 1 college, 400,000 square feet commercial retails, hi-tech park, railing station and a marina;

- (d) in connection with the development of the UB Property, the UB Owner is obligated pursuant to the UB Master Development Agreement to transfer or otherwise dedicate certain portions of the UB Property to or in favour of the Comox Valley Regional District for the purpose of creating certain Parks and Trails for public use (collectively, the "**UB Parks & Trails Transfer**");
- (e) the UB Owner has commenced the development (the "**UB Lot 2 Development**") on UB Lot 2 to create the following:
 - (1) a bare land strata subdivision composed of approximately thirty-nine (39) residential bare land strata lots (the "**UB Lot 2 Strata Lots**") which will be created by the filing of a strata plan (the "**UB Lot 2 Strata Plan**");
 - (2) parcels A, D and E (each, a "**UB Lot 2 Subdivided Parcel**"), which will be created out of UB Lot 2 in the area adjacent to, but outside of, the UB Lot 2 Strata Plan;
- (f) the UB Owner received the Preliminary Layout Approval ("**PLA**") from the Ministry of Transportation and Infrastructure of the Province of British Columbia for UB Lot 2 Development on September 16, 2020, which approval is subject to the conditions set out therein;
- (g) the UB Owner has carried out or is carrying out the following works on UB Lot 2 (collectively, the "**UB Lot 2 Development Works**"):
 - (1) in accordance with the Approval in Principal dated August 2, 2019 issued by the Ministry of Environment and Climate Change Strategy, the UB Owner completed the environmental remediation (the "**Remediation**") in respect of UB Lot 2 and submitted in May 2020 an application to the ministry for a Certificate of Compliance (a "**Certificate of Compliance**") pursuant to Section 53 of the *Environmental Management Act* for UB Lot 2. The UB Owner anticipates that the final Certificate of Compliance will be issued by the ministry imminently by July 31, 2021;
 - (2) the UB Owner has awarded a contract with a general contractor to construct the site servicing works (the "**UB Lot 2 Site Servicing Works**"), which consists of the following:
 - (A) to construct site servicing works (including off-site improvements in the form of a new potable water supply station on UB Lot 4), and utilities and road connection to UB Lot 2 Development from Highway 19A; and
 - (B) to construct internal roadways;

- (h) after the Certificate of Compliance for UB Lot 2 is granted and the UB Lot 2 Site Servicing Works are completed, the UB Owner will apply for the subdivision of UB Lot 2 to create (among others) the UB Lots 2 Subdivided Parcels and deposit the UB Lot 2 Strata Plan at the Land Title Office to create the UB Lot 2 Strata Lots, all of which is expected to occur in September 2021;
- (i) the UB Owner has filed the UB Lot 2 Strata Disclosure Statement and commenced the marketing and sales efforts for the UB Lots 2 Units;
- (j) the UB Owner has entered into the definitive UB Lot 2 Unit Sale Agreements for such units with such parties at such prices with such amounts of deposits paid, all as set out in the UB Lot 2 Sales Summary;
- (k) as at April 15, 2021:
 - (1) the total sum of the purchase price under the UB Lot 2 Unit Sale Agreements is CAD\$14,489,000.00;
 - (2) the total sum of the deposit paid under the UB Lot 2 Unit Sale Agreement is CAD\$650,270.00, which has been received and held by Fasken Martineau DuMoulin LLP, as solicitors for the UB Owners in respect of sale of the UB Lot 2 Units, as deposits in accordance with the terms of the applicable UB Lot 2 Unit Sale Agreement (the "UB Lot 2 Unit Sale Deposits");
- (l) in respect of the following UB Lot 2 Units, the UB Owner has negotiated the sale of such units to such prospective purchasers at such prospective prices, as set out in the UB Lot 2 Sales Summary:
 - (1) Strata Lots 34, 35, 36, 37 and 38 of the UB Lot 2 Strata Lots (the "**Bene Strata Lots**"),
and the UB Owner is going to enter into definitive UB Lot 2 Unit Sale Agreements for such units;
- (m) upon creation of the title to the UB Lot 2 Units, the UB Owner intends to close the sales of the UB Lot 2 Units pursuant to the terms of the UB Lot 2 Unit Sale Agreements. The UB Owner expects that the date of completion of the sale of the UB Lot 2 Units will be between September 1, 2021 and November 30, 2021; and
- (n) the Borrowers anticipate that they will need to fund additional contribution in a sum not less than CAD\$5,000,000 for completing the UB Lot 2 Site Servicing Works; and
- (o) the UB Lot 2 Unit Sale Agreements set out in the UB Lot 2 Sales Summary (copies of which agreements have been delivered pursuant to Section 6.1(d)(6) below) are all the agreements that have been entered into as at the date hereof in respect of the sales of UB Lot 2 Units and those agreements, together with the UB Lot 2 Strata Disclosure Statement (in respect of UB Lot 2 Strata Lots only), contain all information in respect of the sales of those UB Lot 2 Units, and are accurate and complete in all respects, un-amended and un-supplemented in any material respect except as provided therein.

5.3 UB-GF Indebtedness

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the UB-GF Lender advanced a loan to the Borrowers to finance the development on UB Lot 3 pursuant to the terms of the UB-GF Loan Agreement;
- (b) the outstanding principal balancing owing under the UB-GF Indebtedness is CAD\$17,500,000; and
- (c) interest on the UB-GF Indebtedness accrues at a rate of no more than UB-GF Lender's prime lending rate (currently, 2.45% per annum) plus 2.75% per annum, calculated and payable monthly, whether before or after default or demand;
- (d) the UB-GF Indebtedness will be due on April 1, 2022;
- (e) until the applicable due date, no amount is payable under the UB-GF Indebtedness (other than interest accrued thereon, which is payable monthly). The UB Owner may prepay the UB-GF Indebtedness, in full or in part, at any time, without bonus or penalty due to the UB-GF Lender;
- (f) the UB-GF Loan Agreement and the UB-GF Security are all the agreements and contain all material information in respect of the UB-GF Indebtedness, and are accurate and complete in all respects, un-amended and un-supplemented in any material respect except as provided therein.

5.4 UB-VTB Indebtedness

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the UB-VTB Lender advanced a vendor-take-back loan in the initial principal amount of CAD\$24,000,000 to finance acquisition of the UB Property by the UB Owner, pursuant to the terms of the UB-VTB Agreement;
- (b) the principal amount owing under the UB-VTB Indebtedness is CAD\$14,000,000;
- (c) interest on the UB-VTB Indebtedness accrues at a rate of no more than 5.00% per annum, calculated and payable annually on December 31, whether before or after default or demand;
- (d) the UB-VTB Indebtedness will be due as follow:
 - (1) CAD\$6,000,000 (the "UB-VTB Installment"), on the receipt by the UB Owner of the Certificates of Compliance for UB Lot 2&3;
 - (2) CAD\$4,000,000, on the later of (i) December 31, 2021, and (ii) if the UB Owner has not received the Certificates of Compliance for UB Lot 2&3 by December 31, 2021, 30 days after receipt of the same; and
 - (3) CAD\$4,000,000, on the later of (i) March 1, 2023, and (ii) if the UB Owner has not received the Certificates of Compliance for UB Lot 2&3 by March 1, 2023, 60 days after receipt of the same;
- (e) upon receipt of the UB-VTB Installment, the UB-VTB Lender will discharge the UB-Security in respect of UB Lot A; and

- (f) the UB-VTB Agreement and the UB-VTB Security are all the agreements and contain all material information in respect of the VTB Indebtedness, and are accurate and complete in all respects, un-amended and un-supplemented in any material respect except as provided therein.

5.5 ITC-126 Indebtedness

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the ITC-126 Lender advanced a term loan to ITC, Ching and Sunwins pursuant to the terms of the ITC-126 Loan Agreement, and the outstanding principal balance owing under the ITC-126 Indebtedness as at the First Funding Date is CAD\$6,000,000;
- (b) interest on the ITC-126 Indebtedness accrues at the rate of 3.00% per annum, calculated and payable monthly;
- (c) the ITC-126 Indebtedness will be due on September 4, 2021;
- (d) the ITC-126 Loan Agreement and the ITC-126 Security are all the agreements and contain all material information in respect of the ITC-126 Indebtedness, and are accurate and complete in all respects, un-amended and un-supplemented in any material respect except as provided therein;
- (e) the Borrowers intend to pay down the ITC-126 Indebtedness to be funded by Tranche 3 in order to reduce the principal balance thereof to CAD\$3,000,000.

5.6 Other Property

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the MYPCo is the sole legal and beneficial owner of SpaV-SL1 and SpaV-SL1 (collectively, the "SpaV Property");
- (b) the SpaV Property is located in Richmond with a civic addresses of 120 and 130, 8280 Lansdowne Road, and MYPCo is operating the business of a spa and a sports and recreational facility located within the SpaV Property;
- (c) Ching is the sole legal and beneficial owner of Residence-SL128;
- (d) Residence-SL128 is a residential penthouse unit the tower known as "River Park Place 2/3" in Richmond, with a civic address of 1402-6900 Pearson Way.

5.7 Indebtedness re Other Property

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the SpaV-BDC Lender advanced two term loans to MYPCo:
- (1) one in the original amount of \$3,800,000;
- (2) another in the original principal amount of \$2,400,000,
- and the outstanding principal balance owing under the SpaV-BDC Indebtedness, in aggregate, as at the First Funding Date is no more than CAD\$4,500,000;

- (b) interest on the SpaV-BDC Indebtedness accrues at the rate of "BDC's Floating Base Rate plus 0.00% per annum, calculated and payable monthly;
- (c) the entire SpaV-BDC Indebtedness will be due no earlier than February 22, 2035;
- (d) the SpaV-Jin Lender advanced a term loan to MYPCo, and the outstanding principal balance owing under the SpaV-Jin Indebtedness as at the First Funding Date is CAD\$4,000,000;
- (e) interest on the SpaV-Jin Indebtedness accrues at the rate of (i) for the period up to November 19, 2021, 10% per annum, and (ii) thereafter, 18% per annum, calculated and payable monthly;
- (f) the SpaV-Jin Indebtedness will be due on December 20, 2021;
- (g) the SpaV-Kingdom Lender advanced a term loan to MYPCo pursuant to the terms of the SpaV-Kingdom Loan Agreement, and the outstanding principal balance owing under the SpaV-Kingdom Indebtedness as at the First Funding Date is CAD\$1,500,000;
- (h) interest on the SpaV-Kingdom Indebtedness accrues at the rate of 4% per annum, calculated and payable monthly;
- (i) the SpaV-Kingdom Indebtedness will be due on July 15, 2021;
- (j) the Residence-SL128-Morteq Lender advanced a term loan to Ching, and the outstanding principal balance owing under the SpaV-Jin Indebtedness as at the First Funding Date is CAD\$900,000;
- (k) interest on the Residence-SL128-Morteq Indebtedness accrues at the rate of 6.60% per annum, calculated and payable monthly;
- (l) the Residence-SL128-Morteq Indebtedness will be due on or about March 30, 2022.

5.8 Obligants

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) the sole shareholder of the ITC Borrower, the Hotel Operator, MYPCo and Sunwins is Ching;
- (b) the sole business of the ITC Borrower is the ownership and development of the ITC Property and the Hotel;
- (c) the sole shareholder of the UB Nominee is the UB Owner;
- (d) the sole limited partner of the UB Owner is Ching, and the sole shareholder of the UB Owner GP is Linda Ching, who is the daughter of Ching; and
- (e) the sole business of the UB Nominee is to hold legal title to the UB Property as bare trustee for the sole benefit of the UB Owner;
- (f) the sole business of the UB Owner is the development of the UB Property, and the sole business of the UB Owner GP is acting as the general partner of the UB Owner.

5.9 Standard Representations

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lender:

- (a) all information, documents, reports, certificates and records provided by or on behalf of the Obligants to the Lenders are accurate and complete in all material respects, and do not omit any material fact that would make the content thereof misleading;
- (b) each of the corporate Obligant is a corporation duly incorporated, validly existing and in good standing under the *Business Corporations Act* (British Columbia), save and except for the UB Nominee which is a Yukon corporation extra-provincially registered in British Columbia, and the UB Owner is a limited partnership formed and validly existing under the *Partnership Act* (British Columbia) of which the UB Owner GP is its sole general partner;
- (c) each of the corporate Obligant has (on its own behalf and, in the case of UB Owner GP, on behalf of UB Owner) all requisite power and authority to own its assets, to carry on its business as now being conducted, to borrow or to provide guarantee and other financial assistance, and to enter into and perform its obligations under the Loan Documents to which it is a party;
- (d) the borrowing of the Loan or the provision of financial assistance (as applicable) by each Obligant and the provision of security therefor, as contemplated by the Loan Documents to which that Obligant is party, and the execution, delivery and performance by that Obligant of the Loan Documents:
 - (1) have been duly authorized by all necessary proceedings of that Obligant (to the extent it is a corporation or a limited partnership);
 - (2) do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of:
 - (A) the constating documents of that Obligant (to the extent it is a corporation or a limited partnership);
 - (B) any law applicable to or binding on or affecting that Obligant or its assets;
 - (C) the ITC-Junior Indebtedness or any ITC-Junior Security;
 - (D) the Senior A Indebtedness or any Senior A Security;
 - (E) the ITC-126 Indebtedness or any ITC-126 Security;
 - (F) the UB-GF Indebtedness or any UB-GF Security;
 - (G) the UB-VTB Indebtedness or any UB-VTB Security;
 - (H) the UB Project Indebtedness or any UB Project Security;
 - (I) the SpaV-Kingdom Indebtedness or any SpaV-Kingdom Security;
 - (J) the SpaV-BDC Indebtedness or any SpaV-BDC Security;
 - (K) the SpaV-Jin Indebtedness or any SpaV-Jin Security;

(L) the Residence-SL128-Morteq Indebtedness or any Residence-SL128-Morteq Security; or

(M) any agreement or other document to which that Obligant is a party;

and

(3) do not and will not, result in, or require or permit:

(A) the imposition of any encumbrances on or with respect to the Property or any other properties now owned by that Obligant; or

(B) the acceleration of the maturity of the Senior A Indebtedness, the ITC-Junior Indebtedness, ITC-126 Indebtedness, the UB-GF Indebtedness, the UB-VTB Indebtedness, the UB Project Indebtedness, the SpaV-Kingdom Indebtedness, the SpaV-BDC Indebtedness, the SpaV-Jin Indebtedness, the Residence-SL128-Morteq Indebtedness or any other debts owing by that Obligant.

(e) each of the Obligants has obtained all consents, authorizations and approvals required to carry on its business as now being conducted and to enter into and perform its obligations under the Loan Documents;

(f) none of the Obligants is in default, and there occurs no event which would, with notice, lapse of time or both, result in its default, under (i) any indenture, mortgage, deed of trust, or (ii) any agreement or other instrument to which any of the Obligants is a party or by which any Obligant or any of its assets may be bound;

(g) each of the Obligants has filed all tax returns which are required to be filed by it and it has paid or remitted when due all taxes, assessments and government charges imposed upon it which if unpaid could result in any charge or other encumbrance on its properties;

(h) no Event of Default has occurred or is continuing, and there exists no state of facts or circumstances, which after notice, lapse of time or both, would constitute an Event of Default;

(i) each of the Obligants is in compliance with all applicable laws, including, without limitation, all environmental laws in respect of the Property; and

(j) there is no action, suit, litigation, attachment, garnishment, charging order, equitable execution, or other proceeding (regulatory or otherwise) commenced or threatened against any of the Obligants or any of its assets (including, without limitation, the Property or any part thereof).

6. CONDITIONS PRECEDENT

6.1 All Tranches

Notwithstanding any other provisions of this Agreement, subject to Section 2.9 above, the Lenders shall not be obligated to advance under any tranche of the Loan unless and until the following conditions have been satisfied to the satisfaction of the Lender (or waived by the Lenders in their sole discretion):

(a) the Lenders shall have received the following documents, each in form and substance to its satisfaction:

- (1) this Agreement and the Security Documents, duly executed by applicable Obligants;
 - (2) the Priority Agreements, duly executed by the parties thereto;
 - (3) certificate of good standing (or equivalent) with respect of each of the Obligants (to the extent it is a corporation or a limited partnership);
 - (4) certificate of officers or directors of each of the corporate Obligants;
 - (5) an opinion issued by counsel to the Obligants as to their existence (to the extent it is a corporation or a limited partnership), the authorization, execution, delivery by each of the Obligants of the applicable Loan Documents, and such other matters as the Lender or its solicitors may require;
 - (6) payment in immediately available funds:
 - (A) the sum of CAD\$50,000 on account of the Lenders' costs for monitoring the progress of the UB Lot 2 Site Servicing Works;
 - (B) on account of the costs and expenses pursuant to Section 13.2 below;
 - (7) irrevocable and unconditional direction as to the application of the proceeds of the Loan signed by the Borrowers; and
 - (8) appointment of the Obligants' Solicitors, as agent for services on behalf of the Obligants;
- (b) the Lenders shall have received and reviewed to their satisfaction:
- (1) the most recent interim and the annual financial statements (which will include disclosure of any litigation or judgments) for each Obligant (to the extent it is a corporation or a limited partnership);
 - (2) current signed net worth statement (which will include disclosure of any litigation or judgments) and a current credit report for each individual Obligant;
 - (3) confirmation that there is no action, suit, litigation or other proceeding (regulatory or otherwise) commenced against any of the Obligants; and
 - (4) two certified items of government identification for each individual Obligant and each person signing a Loan Document on behalf of each other Obligant, and such other documentation as may be required by the Lenders in order to comply with their obligations under applicable anti-money laundering legislation;
- (c) the Lenders shall have received and reviewed to their satisfaction:
- (in respect of the ITC Property)
- (1) the state of the title to the ITC Property and all encumbrances affecting it;
 - (2) the ITC-126 Agreement and the ITC-126 Security;
 - (3) the most recent stage 1 environmental review for the Hotel Property prepared by an environmental consultant or engineer acceptable to the Lenders, accompanied

by a transmittal letter from the consultant or engineer addressed to the Lenders and confirming that it may be relied upon by the Lenders for mortgage lending purposes;

- (4) a detailed up-to-date budget for the construction of the Hotel Property (including all hard and soft costs and projected cash flow), construction time schedule (including, without limitation, the estimated completion date), architectural drawings and specifications and the construction management agreement and other material agreements for the construction of the Hotel Property;
 - (5) copies of (i) all drawings of interior furnishing of the Hotel Property (including, without limitation, the hotel suites, lobby, restaurant, bar, swimming pool located therein), and (ii) all supply, procurement and installation contracts in respect of the Hotel Property;
 - (6) a current Progress Report in respect of the construction of the Hotel Property;
 - (7) the appraisal report prepared by an appraiser satisfactory to the Lenders in respect of the "when complete" value of the Hotel Property, accompanied by a transmittal letter from the appraiser addressed to the Lenders and confirming that it may be relied upon by the Lender for mortgage lending purposes;
 - (8) evidence confirming that there are no arrears of property or related taxes levied or assessed in respect of the ITC Property; and
 - (9) title insurance policy for a lender in respect of the ITC Property and the Mortgage issued by a title insurer approved by the Lenders containing such endorsements as the Lenders may require;
- (d) the Lenders shall have received and reviewed to their satisfaction:
- (in respect of the UB Property)
- (1) the state of the title to the UB Property and all encumbrances affecting it;
 - (2) the UB-GF Loan Agreement and the UB-GF Security;
 - (3) the UB-VTB Agreement and the UB-VTB Security;
 - (4) the proof of the full discharge of the UB-Kingdom Security from the UB Property;
 - (5) a copy of the UB Lot 2 Strata Disclosure Statement that has been filed with the applicable authority pursuant to the *Real Estate Development Marketing Act* (British Columbia);
 - (6) the fully signed copies of all UB Lot 2 Unit Sale Agreements (including all amendments and supplements thereto);
 - (7) written confirmation (in form and substance acceptable to the Lenders) from Fasken Martineau DuMoulin LLP, as solicitors for the UB Owners in respect of sale of the UB Lot 2 Units, that they hold in their trust account the UB Lot 2 Unit Sale Deposits in accordance with the terms of the UB Lot 2 Unit Sale Agreements;
 - (8) the most recent stage 1 environmental review for UB Property prepared by an environmental consultant or engineer acceptable to the Lenders, accompanied by

a transmittal letter from the consultant or engineer addressed to the Lenders and confirming that it may be relied upon by the Lenders for mortgage lending purposes;

- (9) the letters issued by SLR Consulting (Canada) Ltd. regarding the status of the Remediation and the application for the Certificates of Compliance, and all communication to and from the Ministry of Environment (or other applicable governmental authority) in respect thereof;
 - (10) the appraisal report prepared by an appraiser satisfactory to the Lenders in respect of the "as-is" value of the UB Property (except UB Lot 2) and the value of UB Lot 2 "as if" fully serviced lots, accompanied by a transmittal letter from the appraiser addressed to the Lenders and confirming that it may be relied upon by the Lenders for mortgage lending purposes; and
 - (11) evidence confirming that there are no arrears of property or related taxes levied or assessed in respect of the UB Property;
- (e) the Lender shall have received and reviewed to its satisfaction:
- (1) a written confirmation issued by the lender in respect of the current balance of each of the SpaV-BDC Indebtedness, and that such indebtedness remains in good standing;
 - (2) a written confirmation issued by the SpaV-Jin Lender in respect of the SpaV-Jin Indebtedness, and that such indebtedness remains in good standing;
 - (3) a written confirmation issued by the SpaV-Kingdom Lender in respect of the SpaV-Kingdom Indebtedness, and that such indebtedness remains in good standing; and
 - (4) a written confirmation issued by the Residence-SL128-Morteq Lender in respect of the Residence-SL128-Morteq Indebtedness, and that such indebtedness remains in good standing;
- (f) the Lenders shall have conducted an inspection of the Property, satisfactory to the Lenders in all respects;
- (g) all registrations and filings in connection with the Security Documents (including, without limitation, the Priority Agreements) have been made to the satisfaction of the Lender; and
- (h) there must be no outstanding Event of Default and no outstanding event, which with the passing of time, the giving of notice or otherwise would constitute an Event of Default.

6.2 Tranche 1 and Tranche 4

Notwithstanding any other provisions of this Agreement, in addition to the conditions set out in Section 6.1 above, Lender A shall not be obligated to advance under Tranche 1 and Tranche 4 unless and until the following conditions have been satisfied to the satisfaction of Lender A (or waived by Lender A in its sole discretion):

- (a) Lender A shall have received and reviewed to its satisfaction the following:
 - (1) written confirmation issued by the City of Richmond that the Hotel Property OP Issuance has been achieved; and

- (2) certificate of insurance (and on Lenders' request, the full policy) in respect of the Property, with the Lenders indicated as the loss payee in the order of its interest therein and additional insured and endorsed with the standard mortgage clause, for full replacement value in such amount as may be approved by the Lenders in their sole discretion, with coverage for fire, earthquake, flood, other water damages and such other coverages as the Lenders may require, and public liability insurance with a minimum of CAD\$2,000,000 coverage per occurrence;
- (b) Lender A shall have received and reviewed to its satisfaction the following:
 - (1) the payout statement in respect of the ITC-Romspen Hotel Indebtedness;
 - (2) there is sufficient arrangement (including, without limitation, undertakings given by the Obligants' Solicitors regarding same) that the outstanding balance of the ITC-Romspen Indebtedness will be repaid in full upon the release of the net proceeds of Tranche 1, together with the advance under the Senior A Loan Agreement, so that the ITC-Romspen Lender will be legally obligated to release and discharge the ITC-Romspen Security within reasonable period of time;
 - (c) title searches for the Property (as at the date of such advance), satisfactory to Lender A, evidencing that no encumbrances are registered against the Property, except for Permitted Encumbrances; and
 - (d) there must be no outstanding Event of Default and no outstanding event, which with the passing of time, the giving of notice or otherwise would constitute an Event of Default.

6.3 Tranche 2 and Tranche 3

Notwithstanding any other provisions of this Agreement, in addition to the conditions set out in Section 6.1 above, Lender A shall not be obligated to advance under Tranche 2 and Tranche 3, unless and until the following conditions have been satisfied to the satisfaction of Lender A (or waived by those two lenders in their sole discretion):

- (a) Lender A shall have received and reviewed to its satisfaction the following:
 - (1) confirmation by Lender A, in its sole opinion and discretion, based on the inspection by Lender A (or its authorized representative) of the Hotel Property and review of other supporting evidence provided by or on behalf of the Borrowers, that the Hotel Property Commissioning has achieved completion on or before the Hotel Property Commissioning Target Date, all substantially up to or exceed the qualities and standards as specified in the Hotel Property Specifications and otherwise acceptable to Lender A in its sole opinion;
 - (2) certificate(s) of insurance in respect of the Property, with the Lenders indicated as the loss payee and additional insured and endorsed with the standard mortgage clause, for full replacement value (which value, in respect of the Hotel Property, shall not be less than the sum of CAD\$70,000,000 or such other amount as may be approved by the Lenders in their sole discretion), with coverage for fire, earthquake and such other coverage as the Lender may require, and public liability insurance with a minimum of CAD\$2,000,000 coverage per occurrence;
- (b) title searches for the Property (as at the date of such advance), satisfactory to the Lenders, evidencing that no encumbrances are registered against the Property, except for Permitted Encumbrances; and

- (c) there must be no outstanding Event of Default and no outstanding event, which with the passing of time, the giving of notice or otherwise would constitute an Event of Default.

7. COVENANTS

7.1 General

Each of the Obligants covenants and agrees as follows:

- (a) maintain the corporate or partnership existence of each corporate or partnership Obligant, and do or cause to be done all things necessary to keep in full force and effect all licences and qualifications necessary to carry on business in all jurisdictions in which it carries on business;
- (b) keep current of all property or related taxes and levies assessed in respect of the Property, and all other taxes, rates, levies, charges and assessments charged or assessed in relation to the business of each of the Obligants and the Property;
- (c) keep insured, with an insurer acceptable to the Lenders, the Property and the personal property of the Obligants located thereon, for full replacement value not less than such amount as may be approved by the Lenders in their sole discretion, with coverage for fire, earthquake, flood, other water damages and such other coverages as may be acceptable to the Lenders, against such peril as the Lenders may require from time to time.

Specifically, the Borrowers shall deliver to the Lenders the following:

- (1) Within five Business Days after the Hotel Property OP Issuance, and in any case no later than June 30, 2021, a new certificate of insurance (and on Lenders' request, the full policy) in respect of the Hotel Property, reflecting the change in the nature and scope of the insurance as a result of the completion of the construction of the Hotel Property, for full replacement value not less than such amount the sum of CAD\$70,000,000 (or in such other amount as may be approved by the Lenders in their sole discretion), with coverage for fire, earthquake, flood, other water damages and such other coverages as the Lenders may require, and public liability insurance with a minimum of CAD\$2,000,000 coverage per occurrence (such insurance, the "Post-Completion Hotel Property Insurance"); and
- (2) within five Business Days after the end of each month, commencing in the month after the policy for the Post-Completion Hotel Property Insurance was issued, a proof of payment of the premium due and payable under the policy, in form and substance acceptable to the Lenders;
- (d) promptly provide the Lenders with the following:
- (1) upon receipt of the same, all notices and other communication from the ITC-126 Lender, UB-GF Lender, the UB-VTB Lender, the SpaV-BDC Lender, the SpaV-Jin Lender, the SpaV-Kingdom Lender or the Residence-SL128-Morteq Lender;
- (2) concurrent with the delivery of the same to the ITC-126 Lender, UB-GF Lender, the UB-VTB Lender, the SpaV-BDC Lender, the SpaV-Jin Lender, the SpaV-Kingdom Lender or the Residence-SL128-Morteq Lender:

(A) copies of all requests for advance, together with the applicable Progress Report and all other documents and information accompanying the same, under the applicable agreements, and

(B) copies of all notice and other communication that the Obligants are required to deliver under the applicable agreements;

and

(3) all other information reasonably requested by the Lenders from time to time concerning the Obligant's financial condition and property (including, without limitation, the Property), the progress of the construction of the Hotel Property, the Hotel Property OP Issuance, the Hotel Property Commissioning, the sale of the UB Lot 2 Units or the UB Lot 3 (or any part thereof), the UB Lot 2 Site Service Works and the other UB Lot 2 Development Works;

(e) no less than monthly, deliver to the Lender a Progress Report in respect of the Hotel Property (including the Hotel Property Commissioning) and the UB Lot 2 Site Service Works and the other UB Lot 2 Development Works;

(f) permit and facilitate the Lender and its agents to inspect the Property from to time upon reasonable notice and during normal business hours;

(g) permit the Lenders and their representatives to visit the Property and each of the Borrowers' place of business, to examine its books and records and to make copies and take extracts therefrom, and to discuss its affairs, finances and accounts with its employees, accountants and external advisors, all at reasonable times and as often as the Lenders may reasonably request;

(h) comply with all laws applicable to each Obligant and the Property;

(i) promptly notify the Lenders on becoming aware of the occurrence of any litigation, dispute, arbitration or other proceeding which would reasonably be expected to have a material adverse effect on any Obligant or the Property if adversely determined, and from time to time provide the Lender with all reasonable information requested by the Lenders concerning the status of any such proceeding;

(j) promptly notify the Lenders (and immediately upon request of the Lenders) of all reasonable information concerning the status of the following, together with relevant documentation in relation thereto:

(1) any debt or equity refinancing in respect of the Hotel Property and the ITC Property, the UB Property, the Other Property, the Loan, the Senior A Indebtedness, the UB Project Indebtedness or the ITC-Junior Indebtedness or any other material indebtedness owing by the Borrowers or any other Obligants;

(2) the marketing and sales efforts of any UB Lot 2 Units, or any other part of UB Lot 2&3; and

(3) the marketing and sales efforts of any other Property;

(k) continuously and diligent carry out:

(1) the construction of the Hotel Property and the Hotel Property Commissioning in accordance with the budget and the Hotel Property Specifications; and

(2) the UB Lot 2 Site Service Works and the other UB Lot 2 Development Works,

and, after such construction or work has completed, keep the Property in good condition and repair, and not cause or permit any waste, abandonment, demolition or destruction of the Property;

- (l) comply in all material respects with the *Builders' Lien Act* (BC) and maintain sufficient holdbacks as required under that Act, release funds out of the holdbacks as may be permitted under that Act and otherwise carry out all obligations of an "owner" (as defined under that Act);
- (m) promptly notify the Lenders of any event which could result in any cost overrun, material delay or change in the construction of the Hotel Property, the Hotel Property Commissioning, the UB Lot 2 Site Service Works or the other UB Lot 2 Development Works;
- (n) promptly fund in full, to the satisfaction of the Lenders, all costs overruns and change orders related to the Hotel Property, the Hotel Property Commissioning, the UB Lot 2 Site Service Works or the other UB Lot 2 Development Works, as and when they occur or otherwise upon the Lenders' request;
- (o) promptly notify the Lenders if the Hotel Property Commissioning will not be completed by the Hotel Property Commissioning Target Date;
- (p) promptly notify the Lenders when:
 - (1) the Certificates of Compliance for UB Lot 2&3 have been issued and deliver to the Lenders copies of the same;
 - (2) title to the UB Lot 2 Units (or any one or more of them) have been created;
- (q) promptly notify the Lenders if, in respect of any of the UB Lot 2 Unit Sale Agreements:
 - (1) the purchaser thereunder is unwilling or unable to complete the sale thereunder, or claims that the agreement is terminated pursuant to the terms thereof or otherwise under the *Real Estate Development Marketing Act* (British Columbia) or other applicable laws; or
 - (2) the date of completion of the sale thereunder will not occur on or before November 30, 2021;
- (r) when issued, deliver to the Lenders a copy of each of (i) the Certificates of Compliance in respect of UB Lot 2&3, (ii) the certificate of substantial completion issued by the architect of the Hotel Property, and (iii) the occupancy permit (whether provisional or unconditional) of the Hotel Property by the City of Richmond; or
- (s) when issued, deliver to the Lenders a copy of the certificate of substantial completion of the UB Lot 2 Site Servicing Works;
- (t) except with the Lenders' prior written consent, not cause or permit any amendment or supplement to, and not cause or permit any termination of, any of the following agreements:
 - (1) the ITC-Junior Indebtedness or any ITC-Junior Security;
 - (2) the Senior A Indebtedness or any Senior A Security;

- (3) the ITC-126 Indebtedness or any ITC-126 Security;
 - (4) the UB-GF Indebtedness or any UB-GF Security;
 - (5) the UB-VTB Indebtedness or any UB-VTB Security;
 - (6) the UB Project Indebtedness or any UB Project Security;
 - (7) the SpaV-Kingdom Indebtedness or any SpaV-Kingdom Security;
 - (8) the SpaV-BDC Indebtedness or any SpaV-BDC Security;
 - (9) the SpaV-Jin Indebtedness or any SpaV-Jin Security; or
 - (10) the Residence-SL128-Morteq Indebtedness or any Residence-SL128-Morteq Security;
- (u) not apply the loan proceeds under the UB-GF Loan Agreement for any use other than the UB Lot 2 Site Servicing Works or other UB Lot 2 Development Works;
 - (v) except with the Lenders' prior written consent, not apply the UB Lot 2 Unit Net Sale Proceeds for any purposes or in any manner other than as provided under the UB Project Loan Agreement and this Agreement;
 - (w) except with prior written notice to the Lenders, together with a copy of the amendment or filing, not cause or permit any amendment to, or other filing in respect of, the UB Lot 2 Strata Disclosure Statement;
 - (x) except with the Lenders' prior written consent (which consent shall not be unreasonably withheld or delayed), not cause or permit any amendment or supplement to, and not cause or permit any termination of, any of the UB Lot 2 Units Sale Agreements;
 - (y) except with the Lenders' prior written consent (which consent shall not be unreasonably withheld or delayed), not cause or permit any material change to any budget, contracts, plans and specifications in respect of the Hotel Property, the Hotel Property Commissioning, the UB Lot 2 Site Servicing Works or any other UB Lot 2 Development Works;
 - (z) not make any Distributions or make any payments on account of any debt owing by any of the Obligants to their respective shareholders, any other Obligants or any other persons not dealing at an arm's length from any of the Obligants;
 - (aa) except with the Lenders' prior written consent, not create, assume, incur or permit the existence of any security interest, mortgage, lien, charge, or other encumbrance whatsoever upon the Property or any assets of any Obligant, except for Permitted Encumbrances;
 - (bb) except for the sales of UB Lot 2 Units in accordance with the UB Lot 2 Unit Sale Agreements and the Parks & Trails Transfer, not sell, transfer or otherwise dispose of its legal or beneficial interest in the Property or any part thereof; and
 - (cc) except with the Lenders' prior written consent (which consent shall not be unreasonably withheld or delayed), not cause or permit (i) any merger, amalgamation, arrangement, liquidation, dissolution, consolidation or other reorganization of any of the corporate Obligants, (ii) any issuance, transfer or other disposition of any shares or other securities

(whether legal or beneficial interest therein) in the capital of any corporate Obligant, or (iii) other transaction that would result in the change of control in any corporate Obligant, or the combination of any corporate Obligant with or into another person.

7.2 Hotel Commissioning

If the Hotel Property Commissioning has not achieved completion, all substantially up to or exceed the qualities and standards as specified in the Hotel Property Specifications and otherwise acceptable to Lender A in its sole opinion, on or before July 15, 2021 (the "**Hotel Property Commissioning Outside Date**"), then the Borrowers shall pay to the Lenders a fee equal to \$10,000 per each day after the Hotel Property Commissioning Outside Date, up to and including the day when Lender A has confirmed to the Borrowers and the Lenders that, in the sole opinion and discretion of Lender A, the Hotel Property Commissioning has achieved completion, which fee shall be due and payable on the date of such confirmation.

The Borrowers and the other Obligants acknowledge and agree that the foregoing payment is intended to compensate the Lender for the elevated risk profile of the Borrowers, the Hotel Property and the Loan resulting from the events set out above, and are not intended to be a penalty or a payment on account of the outstanding balance of the Loan.

8. DEFAULT

8.1 Event of Default

Each of the following events will constitute an "Event of Default" under this Agreement:

- (a) any of the Obligants fail to pay any amount hereunder or under any of the other Loan Documents when due, or is in default of any other obligations hereunder or under any of the other Loan Documents;
- (b) any representation or warranty made by the Obligants herein or in any of the other Loan Documents is misleading or inaccurate when made;
- (c) in the opinion of the Lenders acting reasonably there is a material adverse change in the financial condition, ownership, or operation of any Obligant or the Property;
- (d) the proceeds of the Loan have been applied for any purpose other than as permitted hereunder;
- (e) any encumbrance, mortgage, charge, lien or interest affecting the Property or any other assets of any Obligant that are charged in favour of the Lenders pursuant to any of the Security Documents, is in default or otherwise becomes enforceable;
- (f) any encumbrance, mortgage, charge, lien or interest, whether fixed or floating, is granted upon, or otherwise attaches to, the Property or any other assets of any Obligant charged in favour of the Lenders pursuant to any of the Security Documents, other than Permitted Encumbrances;
- (g) the Property (or any part thereof) is damaged or destroyed in any material respect, in the sole opinion of the Lenders, or becomes the subject of expropriation proceedings;
- (h) there is a default under any Hotel Management and Licence Agreement or Hotel Exclusive Amenities Agreement, or any such agreement has been terminated (or a notice of intention to terminate the same has been issued);

- (i) any litigation, arbitration or administrative proceeding has commenced against any of the Obligants or the Property, which proceeding would, in the sole opinion of the Lenders, have a material adverse effect on that Obligant or the Property if adversely determined;
- (j) any of the Obligants is unable to pay its debts as they generally fall due, or stops or suspends or threatens to stop or suspend payment of its debts, as they generally fall due, or is in default under any agreement by which that Obligant, any of its assets or the Property may be bound;
- (k) a writ of execution, attachment or similar process has been issued or levied against any of the Obligants, any of its assets or the Property;
- (l) any of the Obligants is adjudged or declared bankrupt or insolvent, or any of the Obligants makes an assignment for the general benefit of creditors, or a receiver or trustee in bankruptcy has been appointed for any of the Obligants, any part of its assets or the Property, or any proceedings have been commenced against any of the Obligants under any reorganization, arrangement, relief or readjustment of debt or liquidation law of any jurisdiction whether now or hereafter in effect, or any of the Obligants consents to, approves of, or acquiesces in, any such proceeding;
- (m) in respect of any Obligant that is a corporation or a limited partnership:
 - (1) an order is made, a resolution is passed or a motion is filed for its liquidation, dissolution or winding-up; or
 - (2) there is any issuance of its shares or units or any change in the legal or beneficial ownership of its shares or units, in either case, that would result, in the sole opinion of the Lender, in a change of control of that corporate or partnership Obligant which exists as of the date hereof;
- (n) any Obligant who is an individual dies or is declared to be incompetent by a court of competent jurisdiction;
- (o) any event of default has occurred and is continuing, or a demand has otherwise been issued by under or in connection with:
 - (1) the ITC-Junior Indebtedness or any ITC-Junior Security;
 - (2) the Senior A Indebtedness or any Senior A Security;
 - (3) the ITC-126 Indebtedness or any ITC-126 Security;
 - (4) the UB-GF Indebtedness or any UB-GF Security;
 - (5) the UB-VTB Indebtedness or any UB-VTB Security;
 - (6) the UB Project Indebtedness or any UB Project Security;
 - (7) the SpaV-Kingdom Indebtedness or any SpaV-Kingdom Security;
 - (8) the SpaV-BDC Indebtedness or any SpaV-BDC Security;
 - (9) the SpaV-Jin Indebtedness or any SpaV-Jin Security; or

(10) the Residence-SL128-Morteq Indebtedness or any Residence-SL128-Morteq Security;

or

(p) a demand has otherwise been issued by under or in connection with:

(1) the ITC-Junior Indebtedness or any ITC-Junior Security;

(2) the UB Project Indebtedness or any UB Project Security; or

(3) the Senior A Indebtedness or any Senior A Security.

8.2 Remedies

Upon an Event of Default, the Lenders may do all or any of the following:

- (a) declare the then outstanding balance of the Loan Amount to be immediately due and payable;
- (b) suspend or cancel the availability of any unadvanced tranche of the Loan;
- (c) apply the balance of the Interest Reserves or the Repayment Reserve or both against the Loan Amount; and
- (d) exercise any and all rights, powers, remedies and recourses available to the Lender under this Agreement, the Security Documents, at law, in equity or otherwise.

9. RELATIONSHIP BETWEEN PARTIES

The relationship between the Borrowers on one part and the Lenders on the other part is that of debtor and creditor, and not of a partnership, joint venture, co-venture or the like.

10. AMONG THE LENDERS

10.1 Several Obligations of the Lenders

Each of the parties hereto acknowledges and agrees that the obligation of each of the Lenders to the Borrowers or other Obligants hereunder or pursuant hereto is several, and not joint or joint and several. For greater certainty, the obligation of a Lender to advance the applicable tranche of the Loan shall not exceed the amount set out or otherwise determined pursuant to Section 2.1 for that tranche. No Lender shall be responsible for any failure of the other Lender to make available that other Lender's tranche of the Loan pursuant to this Agreement.

10.2 Acknowledgement

Each of the Lenders acknowledges to each other that:

- (a) it has been, and will continue to be, solely responsible for making its own independent assessment of the financial condition, credit-worthiness, affairs, status and nature of the Property, the Borrowers or any other Obligant;
- (b) it has consulted or has been given opportunity to consult its own legal counsel in respect of the Loan, this Agreement and the other Loan Documents; and

- (c) it has received photocopies of this Agreement and each of the Loan Documents and that it is satisfied with the form and substance thereof.

10.3 Collective Action of the Lenders; Majority Lenders

Notwithstanding any of the provisions contained herein or in any other Loan Documents, each of the Lenders hereby agrees that:

- (a) except as otherwise expressly provided for herein, in exercising any right, power or discretion which the Lenders are entitled to exercise pursuant to the terms of this Agreement and the other Loan Documents, each Lender shall consult one another and strive to achieve a consensus in a timely and commercially reasonable manner. To facilitate an orderly and timely consultation, Lender A shall act as a convener and call a meeting of all Lenders (whether a physical meeting or any other format that permits contemporaneous discussion or otherwise acceptable to all Lenders) to consider the course of action. In the absence of a consensus, the Lenders shall adopt the course of action by the decision of the Majority Lenders (except as provided in Section 10.4), which decision shall be binding on all Lenders;
- (b) to the extent permitted by applicable laws, any security and any right, power, discretion, benefit, remedy provided under the Loan Documents to the Lenders are for the ratable benefit of the Lenders collectively and acting together and not severally, and further acknowledges that its rights hereunder and under any other Loan Documents are to be exercised not severally, but collectively upon the decision of the Majority Lenders (except as provided in Section 10.4); and
- (c) each of the Lenders shall not take any action hereunder or under any other Loan Documents, including any declaration of default hereunder or thereunder, but that any such action shall be taken only by the Lenders collectively.

10.4 Unanimous Decision

The following action shall be approved by all Lenders in writing in order to be effective and binding on the Lenders:

- (a) any amendment to the definition of Majority Lenders and any provisions of this Section 10 (other than such amendment that is of administrative nature);
- (b) any release or discharge of any security created under the Security Documents (except in accordance with the terms of this Agreement), and any amendment to the terms hereof in relation to any such release or discharge;
- (c) any change to the principal amount or the interest rate of each tranche of the Loan;
- (d) any change to the Maturity Date of each Tranche, any waiver of the provisions under Sections 2.6 and 2.7(a), and any amendment to such provisions; and
- (e) any amendment to the definition of Event of Default, and any waiver of a material Event of Default; and
- (f) a waiver of any conditions precedent under Section 6, and any amendment to the terms hereof in relation to any such conditions.

In circumstances other than those contemplated in the foregoing, and except as otherwise expressly provided for in this Agreement, an amendment, waiver, discharge or termination consented to or approved by the Majority Lenders shall be binding upon all of the Lenders

10.5 Pari Passu Ranking

Each of the Lenders agrees that:

- (a) other than as specifically provided under Section 2.7(a) above, any payment to be made to or received by the Lenders under this Agreement or any other Loan Documents will be made on a *pro rata, pari passu* basis based on each Lender's Proportion; and
- (b) its respective interest in the Security shall rank at all times *pari passu*, each with the other, on the basis of their respective Lender's Proportions.

10.6 No Partnership

Nothing contained in this Agreement or any other Loan Documents, and no action taken pursuant to any of them, shall be or shall be deemed to constitute the Lenders a partnership, association, joint venture or other such entity.

10.7 Disclaimer

Each Lender agrees that:

- (a) None of the Lenders makes any representation or warranty in respect of the Loan and the Loan Documents, to any other Lenders;
- (b) None of the Lenders assumes any responsibility to any other Lender for the financial condition of the Borrowers or any other Obligor, or for the payment by the Borrowers or any other Obligor of their obligations;
- (c) None of the Lenders assumes any responsibility to any other Lender with respect to the accuracy, authenticity, legality, validity, sufficiency or enforceability of any documents, papers, materials or other information furnished by the Borrowers or any other person to the Lender or any other Lenders in connection with this Agreement or any matter in connection with the Loan.

10.8 Notification

Each of the Lenders will promptly notify the other Lenders of any Event of Default or circumstances, which after notice, lapse of time or both, would constitute an Event of Default, in respect of which it has actual knowledge.

10.9 Expenses

All expenses and other costs, including legal fees, incurred by any Lender in accordance with this Agreement or any other Loan Documents in connection with any enforcement or other proceeding, action or step taken for the purpose of having the Loan Amount repaid to the Lenders (provided that such proceeding, action or step has been approved by the Majority Lenders or otherwise incidental to a decision approved by the Majority Lenders) which are not recoverable or are not recovered from the Borrowers or any other Obligors, will be borne by the Lenders based on their respective Lender's Proportions at the time those expenses are made or incurred.

10.10 Lender A Not a Fiduciary

Each Lender acknowledges and agrees that Lender A:

- (a) has an interest in the ITC-Junior Indebtedness, the UB Project Indebtedness and the Senior A Indebtedness by virtue of being a lender thereunder, which interest may conflict with its interest under the Loan or the interest of the other Lenders;
- (b) shall be entitled to:
 - (1) from time to time make other loans to or have other business relationships with the Borrowers, the other Obligants and any of their respective affiliates; and
 - (2) generally engage with the Borrowers, the other Obligants and any of their respective affiliates, or any corporation or other entity owned or controlled by any of the foregoing persons in respect of the ITC-Junior Indebtedness, the UB Project Indebtedness and the Senior A Indebtedness or in any other kind of business, all as if Lender A were not a party hereto and without any duty to account for any sum or the profit element of any sum received by it for its own account to any other Lender (except as may be specifically provided in the ITC-Junior / Senior B Priority Agreement or Senior A / Senior B Priority Agreement);
- (c) shall not be subject to any fiduciary or other implied duties to any other Lender.

10.11 For the Benefit of the Lenders

The provisions of this Section 10 may be amended or added to from time to time by the Lenders without requiring the approval, consent or the execution of any instrument in writing by the Borrowers, provided that such amendment or addition does not adversely affect the rights or obligations of the Borrowers.

11. CRIMINAL INTEREST RATE

Notwithstanding anything contained in this Agreement or any other Loan Documents, the parties hereto agree that no "interest" shall be paid or payable to the Lenders in connection with the "credit advanced" in respect of the Loan at an annual rate of interest greater than that rate which is one (1%) percent per annum less than the "criminal rate" of interest (the "**Maximum Rate**").

The Obligants will not pay, and the Lenders will not demand from the Obligants, "interest" on the "credit advanced" in respect of the Loan which is in excess of the Maximum Rate (any such excess, "**Excess Interest**").

The parties hereto agree that any "interest" received by the Lenders on the "credit advanced" in respect of the Loan which could, but for this Section, be construed as Excess Interest, will be automatically applied to the Loan Amount as a repayment on account of the principal balance of the Loan then outstanding.

If it is at any time determined that, at the time any Excess Interest was received by the Lenders, and there were no, or insufficient, principal monies owing under the Loan to allow for an automatic reduction of the principal balance of the Loan as contemplated above, then the parties hereto agree to reduce the "interest" paid by the Borrowers on the "credit advanced" in respect of the Loan to the Maximum Rate by either one or a combination of the following:

- (a) if the Loan Amount has not then been repaid in full, by reducing the "interest" payable thereafter on the "credit advanced" in respect of the Loan:

- (1) firstly, by reducing the monies payable thereafter on account of the Processing Fee; and
- (2) secondly if necessary, by reducing the monies payable thereafter on account of interest,

until the Excess Interest is repaid to the Borrowers in full; or

- (b) if the Loan Amount has been repaid in full, or there are insufficient monies due and owing in account of the Loan Amount to allow for a repayment of the Excess Interest in accordance with subparagraph (a) above, by repaying to the Borrowers, on demand, that amount which would repay the outstanding Excess Interest in its entirety.

In this section words or phrases in quotations and which are defined in Section 347 of the *Criminal Code of Canada* have the meaning set out in that section.

12. GENERAL INDEMNITY

In addition to any liability of the Borrowers to the Lenders under any other provision hereof or the other Loan Documents, the Borrowers shall indemnify the Lenders and hold the Lenders harmless against any losses, claims, costs, damages or liabilities (including, without limitation, any loss of profits or fees anticipated hereunder, any expense or cost incurred in the liquidation and re-deployment of funds acquired to fund or maintain any portion of an advance under the Loan and reasonable out of pocket expenses and legal fees on a solicitor-and-his-own-client basis) incurred by the Lenders as a result of or in connection with the Loan or the Loan Documents, including as a result of or in connection with:

- (a) the failure of any Borrower to pay any interest, fee or any other amounts due hereunder on its due date;
- (b) the failure to give any notice required to be given by them or other Obligants to the Lenders hereunder;

provided that this Section 12 shall not apply to any losses, claims, costs, damages or liabilities suffered by a Lender which arise by reason of the wilful misconduct or gross negligence of that Lender. The provisions of this Section 12 shall survive repayment of the Loan Amount and any other obligations in connection herewith.

13. GENERAL

13.1 Evidence of Indebtedness

Each Lender shall maintain its books, accounts and records in respect of its tranche of the Loan, which shall constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Obligants to that Lender under the Loan, provided that any failure of a Lender to maintain the books, accounts and records under this Section shall not affect the obligations of the Obligants to pay such amounts to the Lenders.

13.2 Lenders' Expenses

The Borrowers shall pay all expenses (including all applicable taxes thereon) incurred by or on behalf of the Lenders in carrying out or attempting to carry out the transaction(s) contemplated hereby to completion (including, without limitations, all legal fees and other costs incurred from time to time for the preparation, completion, registration and enforcement of the Loan Documents and any agreements or instruments among the Lenders and any prospective lenders in respect of the Loan, and otherwise in relation to

administering the co-lending relationship in respect of the Loan), and in collecting the Loan Amount or enforcing its rights and remedies under the Loan Documents.

Each such expense shall accrue interest in accordance with Section 2.4 from the date it is incurred by or on behalf of the Lenders until such expense and the interest thereon are fully paid upon demand.

13.3 Gross-Up; Withholding

All amounts payable by an Obligant under this Commitment Letter and the other Loan Documents shall, unless otherwise required by applicable laws, be made free and clear of, and without deduction for, any amount in respect of withholding taxes. If an Obligant is required to deduct or withhold any amount in respect of taxes from or in respect of any amount payable hereunder or under any of the other Loan Documents, then:

- (a) the Obligant shall pay to the applicable payee an additional amount as may be necessary so that the net amount received by that payee after such deduction or withholding shall not be less than the amount such payee would have received if no such deduction or withholding had been made;
- (b) the Obligant shall make such deductions or withholdings; and
- (c) the Obligant shall remit the full amount deducted or withheld to the relevant taxing authority in accordance with applicable laws, and provide evidence thereof to the Lenders.

13.4 Governing Law

This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.

13.5 Currency

All references to money herein and in any other Loan Documents mean the lawful money of Canada.

13.6 Judgment Currency

If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or under any other Loan Documents to the Lenders in one currency (the "Original Currency") into another currency (the "Judgment Currency"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures Royal Bank of Canada (or such other Canadian chartered banks as the Lenders may designate in their sole discretion) could purchase the Original Currency with the Judgment Currency on the Business Day preceding that on which the judgment is paid or satisfied in full.

The obligations of each Borrower in respect of any sum due in the Original Currency from it to the Lender under any Loan Document shall, notwithstanding any judgment in any Judgment Currency, be discharged only to the extent that, on the Business Day following receipt by the Lenders of any sum adjudged to be so due in such Judgment Currency, the Lenders may in accordance with normal banking procedures purchase the Original Currency with such Judgment Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lenders in the Original Currency, each Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Lenders against such loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lenders in the Original Currency, the Lenders agree to remit such excess to that Borrower.

13.7 Severability

If any provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction from which no further appeal lies or is taken, that provision shall be deemed to be severed herefrom, and the remaining provisions of this Agreement shall not be affected thereby and shall remain valid and enforceable.

13.8 Entire Agreement

This Agreement and the other Loan Documents are intended by the Borrowers and the Lenders to be the final, complete, and exclusive expression of the agreement between the Borrowers on one part and the Lenders on the other part relating to the Loan, and they supersede all prior understandings and agreements, whether written or oral, among the parties relating to the same subject matter (including, limitation, the term sheet dated May 25, 2021 (written in Chinese) signed by Mr. Gavin Wang on behalf of the Lenders and Mr. Michael Ching on behalf of the Borrowers).

13.9 Non-Merger

All representations, warranties, covenants and agreements contained in this Agreement shall survive the execution, delivery and the registration of the Security Documents and other Loan Documents and the advance made on account of the Loan.

13.10 Notice

Any notice required or permitted to be given under this Agreement or the Loan Documents shall be in writing and delivered in person, or sent by e-mail transmission, or by mail, as follows:

- (a) in the case of an Obligor:

1205-8400 West Road Richmond, BC V6X 0S7

Attention: Mo Yeung Ching
email: michael@myiegroupp.com

with a copy to:

Pryke Lambert Leathley Russell LLP
5811 Cooney Rd Unit 500, Richmond, BC V6X 3M1

Attention: Tom Russell
e-mail: trussell@pllr.com

- (b) in the case of Lender A:

c/o Fox Island Development Ltd.
1800 – 510 West Georgia Street, Vancouver, BC, V6B 0M3

Attention: Gavin Wang
e-mail: wwy031@gmail.com and wwyvip@163.com

with a copy to:

Norton Rose Fulbright Canada LLP
1800 – 510 West Georgia Street, Vancouver, BC, V6B 0M3

Attention: Matthew Choi
e-mail: matthew.choi@nortonrosefulbright.com

Any notice so given will be deemed to have been given and received at the time of delivery in person, or on the next Business Day following the day of fax or e-mail transmission of the same, or on five Business Days after the date of posting. Any party hereto may from time to time by notice in writing change its address or the designated recipient for the purposes of this Section.

13.11 Further Assurance

The Borrowers will perform, execute and deliver, and will cause to be performed, executed and delivered, all such further acts, documents, instruments and matters as the Lenders may reasonably require from time to time to give effect to the purpose and intent of this Agreement and the other Loan Documents.

13.12 Assignment by Obligants

None of the Obligants may assign or transfer its rights, interests in and obligations under this Agreement to another person, without the Lenders' prior written consent.

13.13 Assignment, and Grant of Participation and Security by Lenders

Each Lender may assign, syndicate or grant participations in its tranche of the Loan (together with its proportional interest in the Loan Documents), and grant security interest in or mortgage of its interest therein (including, without limitation, a mortgage of the Mortgage), at any time and from time to time, to any persons, without any notice to or consent from any Obligant.

For greater certainty and without limiting the generality of Section 13.11, but subject to the restriction in the foregoing paragraph of this Section 13.13, each of the Obligants:

- (a) acknowledges that each Lender may grant mortgage charging its rights and interests in or under the Loan Documents and make such registration as may be required or desirable in all applicable registry or public offices, in connection therewith; and
- (b) upon request of each Lender, will execute and deliver all such documents, instruments and agreements as that Lender may reasonably require from time to time to give effect to the foregoing.

13.14 Enurement

This Agreement shall be binding upon and enure to the benefit of the Obligants and the Lenders and their respective personal representatives, successors and permitted assigns.

13.15 Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument, and all such counterparts may be delivered by way of facsimile transmission or in PDF by e-mail to the other party.

13.16 Conflict

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any other Loan Document, the provisions of this Agreement will prevail to the extent of such conflict or inconsistency.

[Signature Pages Follow.]

IN WITNESS WHEREOF the parties hereto execute this Agreement on the date first above written.

Lender:

FOX ISLAND DEVELOPMENT LTD.

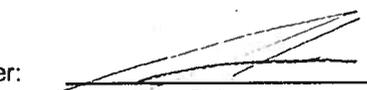
Per: 

Authorized Signatory

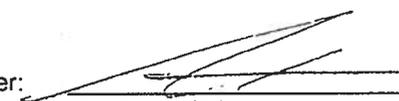
[Obligants' Signature Page Follows]

Borrowers:

KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, by its general partner, **KENSINGTON UNION BAY PROPERTIES GP LTD.**

Per: 
Mo Yeung Ching
Authorized Signatory

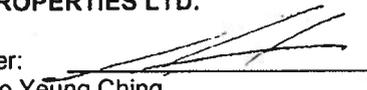
KENSINGTON UNION BAY PROPERTIES GP LTD.

Per: 
Mo Yeung Ching
Authorized Signatory

34083 YUKON INC.

Per: 
Mo Yeung Ching
Authorized Signatory

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

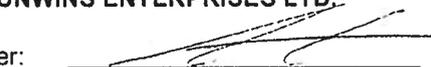
Per: 
Mo Yeung Ching
Authorized Signatory

Guarantors:

MO YEUNG PROPERTIES LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

SUNWINS ENTERPRISES LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

HOTEL VERSANTE LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

SIGNED, SEALED AND DELIVERED:)
)
)
Signature of Witness)
THOMAS RUSSELL)
Name of Witness **SOLICITOR**)
Suite 500 North Tower)
Address **5811 Gateway North**)
Richmond, B.C. V6X 3M1)
Occupation **Telephone 604-276-2765**)
)


MO YEUNG CHING (also known as MICHAEL CHING)

Schedule A**ITC Property**

(a) 030-795-851

Air Space Parcel 2 Section 21 Block 5 North Range 6 West New Westminster District Air Space Plan EPP73985

("ITC ASP2")

(b) 029-611-598

Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Plan EPP37734 Except Air Space Plan EPP73985

("ITC Remainder")

(c) 030-797-691

Strata Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Strata Plan EPS5802

("ITC Bar")

Schedule B**UB Property**

(a) 028-731-492

Lot 1, District Lot 154, Nanaimo District, Sections 31 and 32 Township 1 and District Lot 28 Nelson District Plan EPP15507 Except Plans EPP56910 and EPP95931

("UB Lot 1")

(b) 028-731-565

Lot 2 District Lot 28 Nelson District Plan EPP15507

("UB Lot 2")

(c) 028-731-531

Lot 3 District Lot 154, Nanaimo District, Section 32 Township 1 and District Lot 28 Nelson District Plan EPP15507

("UB Lot 3")

(d) 028-731-549

Lot 4 Sections 31 and 32 Township 1 and District Lot 28 Nelson District Plan EPP15507 Except Plan EPP78068

("UB Lot 4")

(e) 028-330-633

Lot A District Lot 28, Nelson District Plan EPP9011

("UB Lot A")

Schedule C**Other Property**

(a) 027-609-197

Strata Lot 1 Section 4 Block 4 North Range 6 New Westminster District Strata Plan BCS3043

("SpaV-SL1")

(b) 027-609-219

Strata Lot 3 Section 4 Block 4 North Range 6 New Westminster District Strata Plan BCS3043

("SpaV-SL3")

(c) 031-058-906

Strata Lot 128 Section 5 Block 4 North Range 6 West New Westminster District Strata Plan
Eps5391

("Residence SL128")

Schedule D
UB Lot 2 Sales Summary
(see attached)

**FIRST AMENDING AGREEMENT
(SENIOR B LOAN)**

THIS AGREEMENT dated for reference March 7, 2022

AMONG:

**34083 YUKON INC.,
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, and
KENSINGTON UNION BAY PROPERTIES GP LTD.**

(collectively, "UB Borrowers")

AND

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

("ITC Borrower"; together with UB Borrowers, collectively, the "Borrowers")

AND

**HOTEL VERSANTE LTD.
AND
SUNWINS ENTERPRISE LTD.
AND
MO YEUNG PROPERTIES LTD.
AND
MO YEUNG CHING**

(collectively, the "Guarantors")

AND:

**FOX ISLAND DEVELOPMENT LTD. ("Lender A")
AND
ADVANCED VENTURE HOLDING CO., LTD. ("Lender B")**

(collectively, the "Lenders")

WHEREAS:

- (A) The Borrowers, the Guarantors and the Lender A entered into the Senior B Loan Agreement dated for reference June 14, 2021 (the "Existing Loan Agreement") whereby (among other things) the Lenders agreed to provide a term loan in the aggregate principal amount of up to CAD\$35,800,000 to the Borrowers;
- (B) Lender B has become a Lender under the Existing Loan Agreement pursuant to the loan transfer agreement dated as of October 1, 2021 between Lender A, as transferor, and Lender B, as transferee, in respect of Tranche 2B;
- (C) On the Borrowers' request, the parties have agreed to amend the Existing Loan Agreement pursuant to the terms and conditions herein, in order to (among other things) modify the Maturity Date of Tranche 2, increase the principal amount thereof, and provide an additional tranche, all on the terms and conditions set forth herein.

NOW THEREFORE in consideration of the mutual premises, covenants and agreements set forth herein and all other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) Words with initial capital letters which are not otherwise defined in this Agreement have the meanings set out in the Loan Agreement.
- (b) "**Loan Agreement**" means the Existing Loan Agreement, as amended by this Agreement and as the same may be amended, extended, supplemented, modified, renewed, replaced and restated from time to time.
- (c) "**Effective Date**" means March 7, 2022.
- (d) "**Obligants**" means, collectively, the Borrowers and the Guarantors.

1.2 Amendment Not a Waiver

Except as expressly provided herein, the Lenders reserve all of their rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under any Loan Document, and whether known or not, and this Agreement shall not be construed as a waiver of any such breach, default or Events of Default.

1.3 Advance Date; Deemed Borrowing

The Obligants and the Lenders acknowledge and agree that all outstanding borrowings under the Existing Loan Agreement shall continue to be outstanding and constitute borrowings under the Loan Agreement as of the Effective Date. This Agreement shall not be deemed to evidence or result in a novation of such borrowings or a repayment and reborrowing of such borrowings.

2. ACKNOWLEDGEMENT, REPRESENTATIONS AND WARRANTIES

2.1 Specific Representations

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lenders:

- (a) The original principal amount of each tranche of the Loan, the amount withheld on account of the Interest Reserve for each such tranche, and the net amount advanced to the Borrower, all pursuant to the Existing Loan Agreement as of the applicable date of advance under such tranche, are set out in the table (the "**Senior B Loan Summary Table**") in Section Error! Reference source not found. below.
- (b) As of the Effective Date, there is no balance remaining in any of the Interest Reserves.

(in respect of the Hotel)

- (c) The hotel, the restaurant and other facilities within the Hotel Property and all other works and services required for the commissioning of those facilities (except for the bar area on level 12, and the podium pool on level 6) achieved substantially completion on or about June 24, 2021.

- (d) The City of Richmond issued a provisional occupancy permit for the Hotel Property on June 25, 2021, subject to the deficiencies in respect of the bar area on level 12, and the podium pool on level 6. The last of such deficiencies were rectified and approved by the City on October 1, 2021, such that the occupancy permit for the Hotel Property is final and unconditional.

(in respect of other indebtedness)

- (e) Each of the ITC-126 Indebtedness and the ITC-Junior Indebtedness has been repaid in full.

2.2 General Representations

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lenders:

- (a) Except as set out in Section 2.1 above, each of the representations and warranties in Section 5 of the Existing Loan Agreement are true, accurate and complete in all respects on and as of the date hereof and the Effective Date, with the same effect as if such representations and warranties had been made on and as of the date hereof (except for those representations and warranties which speak solely as of an earlier date, in which event those representations and warranties must be true, accurate and complete in all respects as of such earlier date);
- (b) the borrowing of the Loan (as amended herein) or the provision of financial assistance (as applicable) by each Obligant and the provision of security therefor, as contemplated by this Agreement and the other Loan Documents to which that Obligant is party, and the execution, delivery and performance by that Obligant of this Agreement and the other Loan Documents:
- (1) have been duly authorized by all necessary proceedings of that Obligant (to the extent it is a corporation or a limited partnership);
 - (2) do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of:
 - (A) the constating documents of that Obligant (to the extent it is a corporation or a limited partnership);
 - (B) any law applicable to or binding on or affecting that Obligant or its assets;
 - (C) the Senior A Indebtedness or any Senior A Security;
 - (D) the UB Project Indebtedness or any UB Project Security;
 - (E) the UB-GF Indebtedness or any UB-GF Security; or the UB-VTB Indebtedness or any UB-VTB Security;
 - (F) the Residence-SL128-Morteq Indebtedness or any Residence-SL128-Morteq Security; the SpaV-BDC Indebtedness or any Spa-BDC Security; the SpaV-Jin Indebtedness or any Spa-Jin Security; the SpaV-Kingdom Indebtedness or any Spa-Kingdom Security; or
 - (G) any agreement or other document to which that Obligant is a party;

and

- (3) do not and will not, result in, or require or permit:
- (A) the imposition of any encumbrances on or with respect to the Property or any other properties now owned by that Obligor; or
 - (B) the acceleration of the maturity of the Senior A Indebtedness, the UB Project Indebtedness, the UB-GF Indebtedness, the UB-VTB Indebtedness, the Residence-SL128-Morteq Indebtedness, the SpaV-BDC Indebtedness, the SpaV-Jin Indebtedness, the SpaV-Kingdom Indebtedness or any other debts owing by that Obligor;
- (c) each of the Obligor has obtained all consents, authorizations and approvals required to carry on its business as now being conducted and to enter into and perform its obligations under this Agreement and the other Loan Documents; and
- (d) all information, documents, reports, certificates and records provided by or on behalf of the Obligors to the Lenders in relation to this Agreement or otherwise in connection with the Loan are accurate and complete in all material respects, and do not omit any material fact that would make the content thereof misleading.

3. AMENDMENT

Subject to Section 4 below, the Existing Loan Agreement is amended, with effect as of the Effective Date, as follows:

- (a) Section 1 of the Existing Loan Agreement is amended by adding the following definitions:

(dddd) "Amendment Effective Date" means March 7, 2022.

(eeee) "Existing Loan Agreement" means the Senior B Loan Agreement dated for reference June 14, 2021 among the Lenders, the Borrowers and the Guarantors.

- (b) Sections 2.1, and 2.3 to 2.5 of the Existing Loan Agreement are deleted in its entirety and replaced with the following:

2.1 Term Loan

Subject to the terms of this Agreement, the Lenders agree to make available to the Borrowers a non-revolving, term loan in the aggregate principal amount of not more than CAD\$39,000,000 (the "Loan") to be divided in such tranches as follows:

- (a) *a tranche ("Tranche 1") made available by Lender A in the principal amount of CAD\$5,409,010.08;*
- (b) *a tranche ("Tranche 2A") made available by Lender A in the principal amount equal to the sum of the following:*
 - (1) *CAD\$15,338,904.56; plus*
 - (2) *CAD\$1,065,139.29, on account of the applicable amount of the Tranche 2A Initial Interest Reserve pursuant to Section 2.5(b)(1)below; plus*

- (3) the applicable amount of the Tranche 2A Additional Interest Reserve pursuant to Section 2.5(b)(2) below (the "**Tranche 2A Additional Advance**");
- (c) a tranche ("**Tranche 2B**"; together with Tranche 2A, collectively, "**Tranche 2**") made available by Lender B:
- (1) CAD\$8,000,000; plus
- (2) CAD\$555,523.00, on account of the applicable amount of the Tranche 2B Initial Interest Reserve pursuant to Section 2.5(c)(1) below; plus
- (3) the applicable amount of the Tranche 2B Additional Interest Reserve pursuant to Section 2.5(c)(2) below (the "**Tranche 2B Additional Advance**", together with the Tranche 2A Additional Advance, the "**Tranche 2 Additional Advances**");
- (d) a tranche ("**Tranche 3**") made available by Lender A in the principal amount equal to the sum of the following:
- (1) CAD\$3,000,000; plus
- (2) \$95,406.36, on account of the applicable amount of the Tranche 3 Interest Reserve pursuant to Section 2.5(d) below ; and
- (e) a tranche ("**Tranche 4**") made available by Lender A in the principal amount of CAD\$1,805,178.22;
- (f) a tranche ("**Tranche 5**", together with Tranche 1, Tranche 2, Tranche 3 and Tranche 4, collectively, the "**Tranches**") made available by Lender A in the principal amount of up to up to CAD\$926,000.00.

Each of Tranche 1 and Tranche 4 was fully funded on June 14, 2021 (the "**First Funding Date**"). Each of Tranche 2 (except for the Tranche 2 Additional Advances), and Tranche 3 was fully funded on October 1, 2021 (the "**Second Funding Date**").

Each of Tranche 2 (in respect of the Tranche 2 Additional Advances only) and Tranche 5 will be (and are deemed to be) funded on the Amendment Effective Date. Each applicable Lender will deduct (and will be deemed to have deducted) from the proceeds of its tranche the applicable Interest Reserves (as defined in Section 2.5 below) and the applicable fees.

2.3 Term

Subject to the terms hereof,

- (a) the term of Tranche 1 commenced on the First Funding Date;
- (b) the term of Tranche 2 commenced on the Second Funding Date;
- (c) the term of Tranche 3 commenced on the Second Funding Date;
- (d) the term of Tranche 4 commenced on the First Funding Date; and
- (e) the term of Tranche 5 commences on the Amendment Effective Date,

all of which will end on September 14, 2022 (the foregoing end date in respect of each tranche, the "Maturity Date").

2.4 Interest

Interest shall accrue on the daily outstanding balance of the Loan at such per annum rates during such period as follows:

- (a) in respect of Tranche 1 and Tranche 4:
 - (1) from the First Funding Date up to and including December 14, 2021, 15% per annum; and
 - (2) from December 15, 2021, 30% per annum;
- (b) in respect of Tranche 2:
 - (1) from (i) the Second Funding Date (except for the Tranche 2 Additional Advances) and Tranche 3) and (ii) from the Amendment Effective Date (in respect of Tranche 2 Additional Advances) up to and including September 7, 2022, 15% per annum; and
 - (2) from September 8, 2022, 30% per annum;
- (c) in respect of Tranche 3:
 - (1) from the Second Funding Date up to and including December 14, 2021, 15% per annum; and
 - (2) from December 15, 2021, 30% per annum;
- (d) in respect of Tranche 5:
 - (1) from the Amendment Effective Date up to and including September 7, 2022, 15% per annum; and
 - (2) from September 8, 2022, 30% per annum;

in all cases, calculated daily and compounded monthly, not in advance, from the First Funding Date (in respect of Tranche 1 and Tranche 4) and the Second Funding Date (in respect of Tranche 2, except for the Tranche 2 Additional Advances) and Tranche 3) and from the Amendment Effective Date (in respect of Tranche 2 Additional Advances and Tranche 5), until and including the date when the Loan Amount is paid in full, both before and after default, demand, maturity and judgment. Interest shall accrue on overdue interest at the same rate and in the same manner.

For greater certainty:

- (a) in respect of each of Tranche 1 and Tranche 4, interest shall accrue on that tranche of the Loan as of the First Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below have not been satisfied (or waived by the applicable Lenders) by the First Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder;

- (b) *in respect of each of Tranche 2 (except for the Tranche 2 Additional Advances) and Tranche 3, interest shall accrue on that tranche as of the Second Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below for that tranche have not been satisfied (or waived by the applicable Lenders) by the Second Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder;*
- (c) *in respect of each of Tranche 2 Additional Advances and Tranche 5, interest shall accrue thereon as of the Amendment Effective Date pursuant to the terms hereof, even if the applicable conditions to the amendment of the Existing Loan Agreement have not been satisfied (or waived by the applicable Lenders) by that date.*

2.5 Interest Reserves

As security for the payment of the Loan Amount and all of the Borrowers' other obligations in respect of the Loan and under this Agreement, the Borrowers will establish interest reserves (the "Interest Reserves"), one for each tranche of the Loan, which shall be funded as follows:

- (a) *for Tranche 1, in the amount of CAD\$409,010.08 (the "Tranche 1 Interest Reserve") on the First Funding Date;*
- (b) *for Tranche 2A, in the amounts as follows (collectively, the "Tranche 2A Interest Reserve"):*
- (1) *on the Second Funding Date, in the amount equal to the interest accrued on the principal amount of Tranche 2A under the Existing Loan Agreement for the period commencing on the Second Funding Date up to and including the Amendment Effective Date (the "Tranche 2A Initial Interest Reserve"; as more particularly set out in Section 2.1(b)(2)); and*
 - (2) *on the Amendment Effective Date, in the amount equal to the amount of interest that will accrue on the entire principal amount of Tranche 2A for the period commencing on the Amendment Effective Date up to and including September 7, 2022 (the "Tranche 2A Additional Interest Reserve");*
- (c) *for Tranche 2B, in the amount as follows (collectively, the "Tranche 2B Interest Reserve"):*
- (1) *on the Second Funding Date, in the amount equal to the interest accrued on the principal amount of Tranche 2A under the Existing Loan Agreement for the period commencing on the Second Funding Date up to and including the Amendment Effective Date (the "Tranche 2B Initial Interest Reserve"; as more particularly set out in Section 2.1(c)(2)); and*
 - (2) *on the Amendment Effective Date, in the amount equal to the interest that will accrue on the entire principal amount of Tranche 2A for the period commencing on the Amendment Effective Date up to and including September 7, 2022 (the "Tranche 2B Additional Interest Reserve");*
- (d) *for Tranche 3, in the amount as more particularly set out in Section 2.1(d)(2) (the "Tranche 3 Interest Reserve") on the Second Funding Date;*

- (e) for Tranche 4, in the amount of CAD\$136,501.15 (the "**Tranche 4 Interest Reserve**") on the First Funding Date; and
- (f) for Tranche 5, in the amount of CAD\$70,512.80 (the "**Tranche 5 Interest Reserve**") on the Amendment Effective Date.

The amount of each Interest Reserve shall be deducted from the proceeds of the applicable tranche by the Lender of that tranche and shall be held and administered by that Lender.

- (c) Section 2.2 of the Existing Loan Agreement is amended by adding the following at its end:

Tranche 5 shall be used for the following purposes:

- (m) finance certain fees due to the lenders in connection with the extension under the Senior A Loan Agreement, and the amendment of the Existing Loan Agreement; and
- (n) fund the Tranche 5 Interest Reserve.

- (d) The following is added immediately after Section 2.6 of the Existing Loan Agreement:

2.6A Prepayment

The Borrowers may prepay the Loan, in full but not in part, at any time, provided that:

- (a) the Borrowers have provided to the Lenders not less than 60 days' prior written notice of their intention to make a prepayment (the "**Prepayment Notice**") and the notice shall set out the proposed date of prepayment (the "**Proposed Prepayment Date**"); and
- (b) the Borrowers will pay all accrued and unpaid interest on the Loan, and all other amounts due and payable under this Agreement or the Security Documents, up to the date of the prepayment.

Each of the Borrowers agrees and acknowledges that:

- (c) the Prepayment Notice, once delivered to the Lenders, is irrevocable;
- (d) the Lenders are entitled to, and will, rely on the Prepayment Notice, including, without limitation, in managing the Loan and all other loans (whether committed or proposed but not yet committed) within their respective portfolios;
- (e) the Lenders may suffer losses (including, without limitation, loss of alternate investment opportunities, loss of profits, increased cost of funds) if the Borrowers do not complete the prepayment in accordance with the Prepayment Notice;
- (f) without limiting the generality of Section 12 below, the Borrowers will indemnify the Lenders and hold the Lenders harmless against any losses, claims, costs, damages or liabilities incurred or suffered by the Lenders as a result of or in connection with the Prepayment Notice; and
- (g) if the Borrowers do not complete the prepayment in accordance with the Prepayment Notice within 10 days after the Proposed Prepayment Date, they will, at the request of the Lender A in its sole discretion, pay to Lender A an administrative fee in the same

amount equal to 2% of the Loan Amount then outstanding on the Proposed Payment Date.

(e) Section 2.7(c) is deleted and replaced with the following:

(4) *fourthly, in payment of the principal balance of all other tranches the Loan then outstanding, pro rata among all such tranches.*

(f) Section 4.1 is amended by deleting paragraph (o) and replacing it with "[**Intentionally deleted**]" and by adding the following paragraphs:

(q) *modification granted by the ITC Borrower and the UB Nominee of the ITC Hotel Mortgage, the ITC Bar Mortgage and the UB Mortgage, increasing the principal amount thereof to CAD\$42,000,000 (the "**Modification of Mortgage**");*

(r) *beneficiary authorization and charge agreement relating to the Modification of Mortgage granted by the UB Nominee and the other UB Borrowers in favour of the Lenders (the "**BAC re Modification of Mortgage**");*

(s) *amended and restated priority and standstill agreement between the Lenders and the Senior A Lenders, relating to the Senior A Security and all other security held by the Senior A Lenders from the Obligants (the "**Senior A / Senior B Lenders Priority Agreement**"),*

4. AMENDMENT FEE

The Borrowers shall pay a fee in respect of this Agreement (the "**Amendment Fee**") in the amount of **\$558,385.90** to Lender A.

The Amendment Fee is non-refundable and will be earned by Lender A upon issuance to the Borrowers of this Agreement, and, subject to Section 5 below, the Amendment Fee is deemed to be paid out of the proceeds of Tranche 5 on the Effective Date.

For greater certainty, the Amendment Fee is earned and payable as provided above in this Section 4, even if any of the conditions set out in Section 5 is not satisfied (or waived by the Lenders), or if any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder.

5. CONDITIONS PRECEDENT

Notwithstanding any other provisions of this Agreement, the amendment to the Existing Loan Agreement pursuant to Section 3 above shall not become effective unless and until the following conditions have been satisfied to the satisfaction of the Lenders (or waived by the Lenders in their sole discretion):

- (a) the Lenders shall have received the following documents, each in form and substance to their satisfaction
- (1) this Agreement, duly executed by the Obligants;
 - (2) the Modification of Mortgage, the BAC re Modification of Mortgage and the Senior A / Senior B Lenders Priority Agreement (as both terms are defined under amendment pursuant to Section 3(f) above), duly executed by the parties thereto; and

- (3) irrevocable and unconditional direction as to the application of the proceeds of Tranche 2 and Tranche 5 signed by the Borrowers;
- (b) all registrations and filings in connection with the Modification of Mortgage and the Senior A / Senior B Lenders Priority Agreement have been made to the satisfaction of the Lenders; and
- (c) there must be no outstanding Event of Default and no outstanding event, which with the passing of time, the giving of notice or otherwise would constitute an Event of Default.

6. ACKNOWLEDGEMENT RE LOAN DOCUMENTS

Each of the Obligants hereby agrees, ratifies, acknowledges and confirms to the Lenders that:

- (a) the term "Loan Agreement", as used in each of the Loan Documents, means the Existing Loan Agreement, as amended by this Agreement, and as may be further amended, extended, supplemented, modified, renewed, replaced and restated from time to time;
- (b) this Agreement constitutes a "Loan Document";

and

- (c) each of the Security Documents previously granted by the Obligants prior to the Effective Date pursuant to the Existing Loan Agreement is held and will continue to be held by the Lenders as collateral security for all of the debts, liabilities and obligations, present and future, direct and indirect, of each of the Obligants to the Lenders pursuant to the Loan Agreement and the other Loan Documents;
- (d) each of the Obligants will continue to be bound by all of the terms, conditions, covenants and obligations applicable to such Obligant under or pursuant to this Agreement, the Loan Agreement and the other Loan Documents to the extent such Obligant is a party, and
- (e) each of the Obligants hereby ratifies, acknowledges and confirms all obligations, covenants, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained therein.

7. GENERAL

7.1 Amendment

This Agreement shall be read and construed along with the Existing Loan Agreement and be treated as a part thereof and, for such purposes and so far as may be necessary to effectuate these presents, the Existing Loan Agreement shall be regarded as being hereby amended (subject to Section 5 above), and the Existing Loan Agreement as so amended together with all of the covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained in the Existing Loan Agreement shall continue in full force and effect.

7.2 Expenses

The Borrowers shall pay on demand all costs and expenses incurred by or on behalf of the Lenders in carrying out or attempting to carry out the transaction(s) contemplated under this Agreement.

7.3 Successors and Assigns

This Agreement and the Loan Agreement shall enure to the benefit of and be binding on each of the parties hereto and their respective personal representatives, successors and permitted assigns.

7.4 Applicable Law

This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.

7.5 Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument, and all such counterparts may be delivered by way of facsimile transmission or in PDF by e-mail to the other party.

[Signature Pages Follow.]

IN WITNESS WHEREOF the parties hereto execute this Agreement on the date first above written.

Lenders:

FOX ISLAND DEVELOPMENT LTD.

Per:  _____
Authorized Signatory

ADVANCED VENTURE HOLDING CO., LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

[Obligants' Signature Page Follows]

IN WITNESS WHEREOF the parties hereto execute this Agreement on the date first above written.

Lenders:

FOX ISLAND DEVELOPMENT LTD.

Per: _____
Authorized Signatory

ADVANCED VENTURE HOLDING CO., LTD.

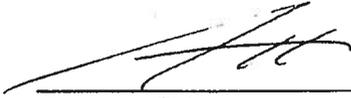
Per:  _____
Authorized Signatory

Per:  _____
Authorized Signatory

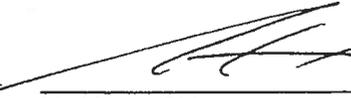
[Obligants' Signature Page Follows]

Borrowers:

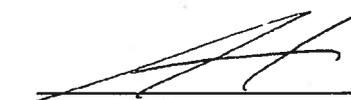
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, by its general partner, **KENSINGTON UNION BAY PROPERTIES GP LTD.**

Per: 
Mo Yeung Ching
Authorized Signatory

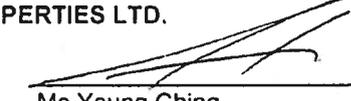
KENSINGTON UNION BAY PROPERTIES GP LTD.

Per: 
Mo Yeung Ching
Authorized Signatory

34083 YUKON INC.

Per: 
Mo Yeung Ching
Authorized Signatory

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

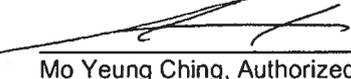
Per: 
Mo Yeung Ching
Authorized Signatory

Guarantors:

MO YEUNG PROPERTIES LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

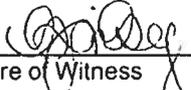
SUNWINS ENTERPRISES LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

HOTEL VERSANTE LTD.

Per: 
Mo Yeung Ching, Authorized Signatory

SIGNED, SEALED AND DELIVERED:)


_____)
Signature of Witness)
KATE MACKAY)
Name of Witness AND SOLICITOR)
_____)
Address 5811 COONEY ROAD)
RICHMOND, BC V6X 3M1)
_____)
Occupation TELEPHONE: 604-276-4265)
_____)


_____)
MO YEUNG CHING (also known as MICHAEL CHING)

**SECOND AMENDING AGREEMENT
(SENIOR B LOAN)**

THIS AGREEMENT dated for reference September 7, 2022

AMONG:

**34083 YUKON INC.,
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, and
KENSINGTON UNION BAY PROPERTIES GP LTD.**

(collectively, "UB Borrowers")

AND

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

("ITC Borrower"; together with UB Borrowers, collectively, the "Borrowers")

AND

**HOTEL VERSANTE LTD.
AND
SUNWINS ENTERPRISE LTD.
AND
MO YEUNG PROPERTIES LTD.
AND
MO YEUNG CHING**

(collectively, the "Existing Guarantors")

AND

**SFT DIGITAL HOLDINGS 30 LTD. ("SFT 30" or the "Additional
Guarantor"; together with the Existing Guarantors, collectively, the
"Guarantors")**

AND:

**FOX ISLAND DEVELOPMENT LTD. ("Lender A")
AND
ADVANCED VENTURE HOLDING CO., LTD. ("Lender B")**

(collectively, the "Lenders")

WHEREAS:

- (A) Pursuant to the Senior B Loan Agreement dated for reference June 14, 2021, as amended by an amending agreement dated for reference March 7, 2022 (as amended, the "Existing Loan Agreement"), the Lenders agreed to provide a term loan in the aggregate principal amount of not more than CAD\$39,000,000 to the Borrowers;
- (B) The ITC Borrower has entered into an agreement to transfer its beneficial interest in all or part of the Hotel Property to a separate entity (the "Hotel Property Holdco"; such agreement, the "Hotel Property Beneficial Transfer Agreement"), which transfer (the "Hotel Property Beneficial

Transfer") constitutes a material change in the ownership of the Hotel Property and is subject to the Lenders' approval;

- (C) The Lenders have not issued any approval for the Hotel Property Beneficial Transfer, nor have they approved the ITC Borrower's entry into the Hotel Property Beneficial Transfer Agreement in relation to such transfer;
- (D) On the Borrowers' request, the Lenders have agreed to refrain from exercising the rights in under the Loan Agreement and the Loan Documents in relation to the Hotel Property Beneficial Transfer during the Accommodation Period (as defined herein) and to amend the Existing Loan Agreement, all on the terms and conditions set forth herein.

NOW THEREFORE in consideration of the mutual premises, covenants and agreements set forth herein and all other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

- (a) Words with initial capital letters which are not otherwise defined in this Agreement have the meanings set out in the Loan Agreement.
- (b) **"Accommodation Effective Date"** means September 7, 2022.
- (c) **"Accommodation End Date"** means March 7, 2023.
- (d) **"Accommodation Period"** means the period from the Accommodation Effective Date and up to and including the earlier of:
 - (1) the Accommodation End Date; and
 - (2) the date on which an Event of Accommodation Default has occurred.
- (e) **"Event of Accommodation Default"** has the meaning given to it in Section 9 hereof
- (f) **"Loan Agreement"** means the Existing Loan Agreement, as amended by this Agreement and as the same may be amended, extended, supplemented, modified, renewed, replaced and restated from time to time.
- (g) **"Obligants"** means, collectively, the Borrowers and the Guarantors.

1.2 Amendment Not a Waiver

Except as expressly provided herein, the Lenders reserve all of their rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under any Loan Document, and whether known or not, and this Agreement shall not be construed as a waiver of any such breach, default or Events of Default.

1.3 Advance Date; Deemed Borrowing

The Obligants and the Lenders acknowledge and agree that all outstanding borrowings under the Existing Loan Agreement shall continue to be outstanding and constitute borrowings under the Loan Agreement as

of the Accommodation Effective Date. This Agreement shall not be deemed to evidence or result in a novation of such borrowings or a repayment and reborrowing of such borrowings.

2. ACKNOWLEDGEMENT AND AGREEMENT BY THE OBLIGANTS

2.1 Hotel Property Beneficial Transfer

Each of the Obligants acknowledges to and agrees with the Lenders as follows:

- (a) The statements set out in Recitals (B) and (C) are true and correct, and form an operative part of this Agreement.
- (b) The Hotel Property Beneficial Transfer has not been fully consummated, subject to the satisfaction of certain conditions to be fulfilled by the ITC Borrower, including, without limitation, the refinancing of the Loan under the Loan Agreement (together the Senior A Indebtedness which is secured by a mortgage against the Hotel Property).
- (c) As at the Accommodation Effective Date and the date on which all conditions set out in Section 9 hereof have been satisfied (or otherwise waived by the Lenders), the ITC Borrower remains the sole owner of all of the beneficial interest in the Hotel Property (subject only to its obligation to effect the Hotel Property Beneficial Transfer in favour of Hotel Property Holdco pursuant to the Hotel Property Beneficial Transfer Agreement).
- (d) Notwithstanding that the Hotel Property Beneficial Transfer has not been fully consummated, the Obligants agree that the ITC Borrower's entry into the Hotel Property Beneficial Transfer Agreement and otherwise agreeing to the Hotel Property Beneficial Transfer constitute an Event of Default under the Loan Agreement (the "Existing Default"), and the Lenders are entitled to immediately accelerate and demand full payment of the outstanding Loan Amount as a result of the Existing Default pursuant to the terms of the Loan Agreement.
- (e) The Obligants agree to:
 - (1) promptly and from time to time advise the Lenders of the status of the Hotel Property Beneficial Transfer in sufficient details to the satisfaction of the Lenders; and
 - (2) upon the Lenders' request from time to time, (i) provide confirmation (in form and substance satisfactory to the Lenders) that the ITC Borrower remains the sole owner of all of the beneficial interest in the Hotel Property, and (ii) deliver to the Lenders a certified copy of the Hotel Property Beneficial Transfer Agreement.

2.2 Debt

Each of the Obligants acknowledges to and agrees with the Lenders as follows:

- (a) As at the Accommodation Effective Date (and without taking into account the amendment to the Existing Loan Agreement provided herein):
 - (1) the Borrowers are indebted to the Lenders, on account of the outstanding balance under each tranche of the Loan (including any accrued and unpaid interest thereon, if applicable), in the amounts set out below:

Tranche	Principal Amount owing
1	\$6,718,541.95
2a	\$17,753,820.62
2b	\$9,259,498.58
3	\$3,847,909.25
4	\$2,244,022.65
5	\$9,260,000
Total:	\$40,749,793.05

plus all other fees, costs, expenses and other charges that are payable by the Borrowers to the Lenders in accordance with the Existing Loan Agreement (collectively, the "Debt").

- (2) there is no balance remaining in any of the Interest Reserves, except for the one for Tranche 5 which has a balance of \$1,653.14 remaining.
- (b) As of the Accommodation Effective Date, none of the Obligants has any claim or counterclaims against the Lenders in relation to the Debt, the Loan Amount, the Existing Loan Agreement, the Security Documents and the other Loan Documents.

2.3 Existing Default

Each of the Obligants hereby acknowledges to and agrees with the Lenders as follows:

- (a) The Loan Agreement and the Security Documents are in default pursuant to the terms thereof as a result of the Existing Default and, but for this Agreement, the Lenders are entitled to immediately accelerate and demand full payment of the Debt and the Loan Amount, and take immediate steps to enforce its security under the Security Documents.
- (b) The Lenders have entered into this Agreement with the Obligants at their request and with a view to allowing the Obligants additional time to repay the Debt and the Loan Amount in a lawful, efficient and cost-effective manner.
- (c) Except as expressly provided in this Agreement, the Lenders have not made any promise, nor has any of them taken any action or omitted to take any action, that would constitute a waiver of their rights to pursue any remedies in respect of the Loan, the Loan Agreement, the Security Documents or the other Loan Documents that would prevent them from so doing.
- (d) The Lenders' accommodation as provided in Section 3 below and otherwise under this Agreement is not to be taken as a waiver by the Lenders of any of their rights under any of the Loan Agreement, the Security Documents or any other Loan Documents which may arise from any other default which presently exists or which may in the future occur.
- (e) In the event that the Obligants seek the assistance of a court of competent jurisdiction, or other protection, under any legislation or otherwise to stay the actions or claims of creditors, to the extent permitted by law, the Obligants, in consideration of the accommodation

provided to them by the Lenders under the terms of this Agreement, will not seek any assistance from the court, or other protection, under any legislation, or otherwise, which would in any way stay the actions of the Lenders or otherwise prevent the Lenders from realizing on all or any part of the security under the Security Documents.

2.4 Loan Documents

Each of the Obligants hereby agrees, ratifies, acknowledges and confirms to the Lenders that:

- (a) the term "Loan Agreement", as used in each of the Loan Documents, means the Existing Loan Agreement, as amended by this Agreement, and as may be further amended, extended, supplemented, modified, renewed, replaced and restated from time to time;
- (b) this Agreement constitutes a "Loan Document";
- (c) each of the Security Documents (i) previously granted by the Obligants prior to the Accommodation Effective Date pursuant to the Existing Loan Agreement or (ii) granted pursuant hereto, is held and will continue to be held by the Lenders as collateral security for all of the debts, liabilities and obligations, present and future, direct and indirect, of each of the Obligants to the Lenders pursuant to the Loan Agreement and the other Loan Documents;
- (d) each of the Obligants will continue to be bound by all of the terms, conditions, covenants and obligations applicable to such Obligant under or pursuant to this Agreement, the Loan Agreement and the other Loan Documents to the extent such Obligant is a party, and
- (e) each of the Obligants hereby ratifies, acknowledges and confirms all obligations, covenants, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained therein.

2.5 Redemption Period

The Borrowers and the other Obligants will irrevocably consent to an order nisi, stipulating a shortened redemption period of 60 days in any foreclosure proceedings brought by the Lenders in respect of the Property charged by the mortgages granted pursuant to the Loan Agreement (as may be modified, as contemplated under Section 5(g) below) or any other Security Document and an order for conduct of sale in favour of the Lenders effective from the end of the redemption period, such consent order otherwise in form and content acceptable to the Lenders in all other respects. The Borrowers and the other Obligants hereby agree to cooperate with the Lenders in their efforts to achieve a timely sale of the Property (or any part thereof) in any foreclosure proceedings.

3. LENDERS' ACCOMMODATION

Subject to Section 8 below, and provided that there is no outstanding Event of Accommodation Default and no outstanding event, which with the passing of time, the giving of notice or otherwise, would constitute an Event of Accommodation Default, the Lenders hereby agree with the Borrowers and the other Obligants to refrain from making demand on the Loan and enforcing their security under the Security Documents, until the Accommodation Period has expired.

4. REPRESENTATIONS AND WARRANTIES

4.1 General Representations

Each of the Obligants, jointly and severally, represents and warrants as follows to the Lenders:

- (a) Except as set out in Section 2.1 above, each of the representations and warranties in Section 5 of the Existing Loan Agreement are true, accurate and complete in all respects on and as of the date hereof and the Accommodation Effective Date, with the same effect as if such representations and warranties had been made on and as of the date hereof (except for those representations and warranties which speak solely as of an earlier date, in which event those representations and warranties must be true, accurate and complete in all respects as of such earlier date);
- (b) the borrowing of the Loan (as amended herein) or the provision of financial assistance (as applicable) by each Obligant and the provision of security therefor, as contemplated by this Agreement and the other Loan Documents to which that Obligant is party, and the execution, delivery and performance by that Obligant of this Agreement and the other Loan Documents:
- (1) have been duly authorized by all necessary proceedings of that Obligant (to the extent it is a corporation or a limited partnership);
 - (2) do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of:
 - (A) the constating documents of that Obligant (to the extent it is a corporation or a limited partnership);
 - (B) any law applicable to or binding on or affecting that Obligant or its assets;
 - (C) the Senior A Indebtedness or any Senior A Security;
 - (D) the UB Project Indebtedness or any UB Project Security;
 - (E) the UB-GF Indebtedness or any UB-GF Security; or the UB-VTB Indebtedness or any UB-VTB Security;
 - (F) the Residence-SL128-Morteq Indebtedness or any Residence-SL128-Morteq Security; the SpaV-BDC Indebtedness or any Spa-BDC Security; the SpaV-Jin Indebtedness or any Spa-Jin Security; the SpaV-Kingdom Indebtedness or any Spa-Kingdom Security; or
 - (G) the Hotel Property Beneficial Transfer Agreement; or
 - (H) any agreement or other document to which that Obligant is a party
- and
- (3) do not and will not, result in, or require or permit:
 - (A) the imposition of any encumbrances on or with respect to the Property or any other properties now owned by that Obligant; or
 - (B) the acceleration of the maturity of the Senior A Indebtedness, the UB Project Indebtedness, the UB-GF Indebtedness, the UB-VTB Indebtedness, the Residence-SL128-Morteq Indebtedness, the SpaV-BDC Indebtedness, the SpaV-Jin Indebtedness, the SpaV-Kingdom Indebtedness or any other debts owing by that Obligant;

- (c) each of the Obligant has obtained all consents, authorizations and approvals required to carry on its business as now being conducted and to enter into and perform its obligations under this Agreement and the other Loan Documents;
- (d) no consent or approval is required from the Hotel Property HoldCo or other entities that are parties to, or have a direct or indirect interest in, the Hotel Property HoldCo or otherwise in relation to the Hotel Property Beneficial Transfer in order for the Borrowers and any other Obligants to enter into and perform its obligations under this Agreement and the other Loan Documents; and
- (e) all information, documents, reports, certificates and records provided by or on behalf of the Obligants to the Lenders in relation to this Agreement or otherwise in connection with the Loan are accurate and complete in all material respects, and do not omit any material fact that would make the content thereof misleading

5. AMENDMENT

Subject to Section 8 below, the Existing Loan Agreement is amended, with effect as of the Accommodation Effective Date, as follows:

- (a) Section 1 of the Existing Loan Agreement is amended by adding SFT 30 into the definition of "Guarantors" as follows:

<p>(j) "Guarantors" means, collectively:</p> <ul style="list-style-type: none"> (1) <i>Hotel Versante Ltd.;</i> (2) <i>MYPCo;</i> (3) <i>Sunwins;</i> (4) <i>Ching; and</i> (5) <i>SFT 30.</i>
--

- (b) Section 1 of the Existing Loan Agreement is amended by deleting the definitions of "Existing Loan Agreement" and "Extension Effective Date" and adding the following definitions :

<p>(ddddd) "Accommodation Effective Date" means September 7, 2022.</p> <p>(eeee) "Existing Loan Agreement" means the Senior B Loan Agreement dated for reference June 14, 2021 among the Lender A, the Borrowers and the Guarantors, as amended by the First Amending Agreement dated for reference March 7, 2022 among the same parties and Lender B.</p> <p>(ffff) "Office SL12" means the parcel of lands, together with the improvements thereon, having the legal description as follows:</p> <p style="padding-left: 40px;">1115 – 8400 West Road, Richmond, BC</p>

030-797-918

Strata Lot 12 Section 21 Block 5 North Range 6 West New Westminster District Strata Plan
EPS5803

(ggggg) "SFT 30" means SFT Digital Holdings 30 Ltd., and its successors and permitted assigns.

- (c) Sections 2.1 to 2.5 of the Existing Loan Agreement are deleted in their entirety and replaced with the following:

2.1 Term Loan

Subject to the terms of this Agreement, the Lenders agree to make available to the Borrowers a non-revolving, term loan in the aggregate principal amount of not more than CAD\$43,000,000 (the "Loan") to be divided in such tranches as follows:

- (a) a tranche ("Tranche 1") made available by Lender A in the principal amount of CAD\$5,409,010.08;
- (b) a tranche ("Tranche 2A") made available by Lender A in the principal amount equal to the sum of the following:
 - (1) \$17,753,820.62; plus
 - (2) \$1,435,236.31, on account of the Tranche 2A Additional Interest Reserve pursuant to Section 2.5(b)(1) below (the "Tranche 2A Additional Advance");
- (c) a tranche ("Tranche 2B"; together with Tranche 2A, collectively, "Tranche 2") made available by Lender B:
 - (1) \$9,259,498.58; plus
 - (2) \$748,546.97, on account of the Tranche 2B Additional Interest Reserve pursuant to Section 2.5(c)(1) below (the "Tranche 2B Additional Advance", together with the Tranche 2A Additional Advance, the "Tranche 2 Additional Advances");
- (d) a tranche ("Tranche 3") made available by Lender A in the principal amount equal to the sum of the following:
 - (1) CAD\$3,000,000; plus
 - (2) \$95,406.36, on account of the applicable amount of the Tranche 3 Interest Reserve pursuant to Section 2.5(d) below; and
- (e) a tranche ("Tranche 4") made available by Lender A in the principal amount of CAD\$1,805,178.22;
- (f) a tranche ("Tranche 5") made available by Lender A in the principal amount equal to the sum of the following:
 - (1) \$926,000.00; plus
 - (2) \$74,858.75, on account of the Tranche 5 Additional Interest Reserve pursuant to Section 2.5(f) below (the "Tranche 5 Additional Advance"); and

- (g) a tranche ("**Tranche 6**", together with **Tranche 1**, **Tranche 2**, **Tranche 3**, **Tranche 4** and **Tranche 5**, collectively, "**Tranches**") made available by Lender A in the principal amount of up to \$1,530,000.

Each of **Tranche 1** and **Tranche 4** was fully funded on June 14, 2021 (the "**First Funding Date**"). **Tranche 3** was fully funded on October 1, 2021 (the "**Second Funding Date**").

Each of **Tranche 2**, **Tranche 5** and **Tranche 6** will be (and are deemed to be) funded on the Accommodation Effective Date. Each applicable Lender will deduct (and will be deemed to have deducted) from the proceeds of its tranche the applicable Interest Reserves (as defined in Section 2.5 below) and the applicable fees.

2.2 Purposes

Tranche 1 shall be used for the following purposes:

- (a) together with the Senior A Loan Agreement, finance the repayment of the ITC-Romspen Indebtedness in full;
- (b) fund the **Tranche 1** Interest Reserve; and
- (c) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 2 shall be used for the following purposes:

- (d) refinance the indebtedness owing to the applicable Lenders under **Tranche 2A** and **Tranche 2B** of the Existing Loan Agreement as of the Accommodation Effective Date;
- (e) fund the **Tranche 2A** Additional Interest Reserve and **Tranche 2B** Additional Interest Reserve; and
- (f) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 3 shall be used for the following purposes:

- (g) finance the partial repayment of the ITC-126 Indebtedness to reduce the principal amount then owing by CAD\$3,000,000;
- (h) fund the **Tranche 3** Interest Reserve; and
- (i) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 4 shall be used for the following purposes:

- (j) finance the Processing Fee payable by the Borrowers under this Agreement;
- (k) fund the **Tranche 4** Interest Reserve; and
- (l) pay all fees, legal and other costs incurred by the Lenders in connection with the Loan.

Tranche 5 shall be used for the following purposes:

- (m) refinance the indebtedness owing to the applicable Lender under **Tranche 5** of the Existing Loan Agreement as of the Accommodation Effective Date; and

- (n) fund the Tranche 5 Additional Interest Reserve.

Tranche 6 shall be used for the following purposes:

- (o) finance certain fees due to the Lenders in connection with the amendment and accommodation under the Senior A Loan Agreement, and the Existing Loan Agreement; and
- (p) fund the Tranche 6 Interest Reserve.

2.3 Term

Subject to the terms hereof, the term of each Tranche will end on March 14, 2023 (the "Maturity Date").

2.4 Interest

Interest shall accrue on the daily outstanding balance of the Loan at such per annum rates during such period as follows:

- (a) in respect of Tranche 1 and Tranche 4:
- (1) from the First Funding Date up to and including December 14, 2021, 15% per annum, PLUS the then applicable Rate Premium; and
 - (2) from December 15, 2021, 30% per annum;
- (b) in respect of Tranche 2:
- (1) from the Accommodation Effective Date up to and including March 7, 2023, 15% per annum, PLUS the then applicable Rate Premium; and
 - (2) from March 8, 2023, 30% per annum;
- (c) in respect of Tranche 3:
- (1) from the Second Funding Date up to and including December 14, 2021, 15% per annum, PLUS the then applicable Rate Premium; and
 - (2) from December 15, 2021, 30% per annum;
- (d) in respect of Tranche 5:
- (1) from the Accommodation Effective Date up to and including March 7, 2023, 15% per annum, PLUS the then applicable Rate Premium; and
 - (2) from March 8, 2023, 30% per annum;
- (e) in respect of Tranche 6:
- (1) from the Accommodation Effective Date up to and including March 7, 2023, 15% per annum, PLUS the then applicable Rate Premium; and
 - (2) from March 8, 2023, 30% per annum;

in all cases, calculated daily and compounded monthly, not in advance, from the applicable date on which such tranche is advanced, until and including the date when the Loan Amount is paid in full, both before and after default, demand, maturity and judgment. Interest shall accrue on overdue interest at the same rate and in the same manner.

For greater certainty:

- (a) in respect of each of Tranche 1 and Tranche 4, interest shall accrue on that tranche of the Loan as of the First Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below have not been satisfied (or waived by the applicable Lenders) by the First Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder;*
- (b) in respect of Tranche 3, interest shall accrue on that tranche as of the Second Funding Date pursuant to the terms hereof, even if (i) that tranche is not advanced to the Borrowers until a later date, because the applicable conditions set out in Section 6 below for that tranche have not been satisfied (or waived by the applicable Lenders) by the Second Funding Date, or (iii) any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder;*
- (c) in respect of each of Tranche 2, Tranche 5 and Tranche 6, interest shall accrue thereon as of the Accommodation Effective Date pursuant to the terms hereof, even if the applicable conditions to the amendment of the Existing Loan Agreement have not been satisfied (or waived by the applicable Lenders) by that date.*

In this Section 2.4:

"Rate Premium" means, on any applicable date after the Accommodation Effective Date, the difference (round to one basis point, or 0.01%) resulting from:

- (1) the highest RBC Prime Rate in the period from the Accommodation Effective Date up to and including such applicable date;*

minus:

- (2) the sum of (i) the RBC Prime Rate effective September 8, 2022 (being 5.45% per annum), plus (ii) 100 basis points (or 1.00%),*

provided that such difference shall not be less than zero.

For illustration only, and without limitation, if the RBC Prime Rate is increased to 6.48% per annum effective October 1, 2022, then to 8.00% per annum effective November 1, 2022, and then reduced to 7.00% per annum effective April 1, 2023, then the Rate Premium is as follows:

Applicable Date	RBC Prime on the Applicable Date	Rate Premium	Interest Rate
September 8, 2022	5.45%	0.00%	15.00%
October 1, 2022	6.48%	0.03%	15.03%

November 1, 2022	8.00%	1.55%	16.55%
April 1, 2023	7.00%	1.55%	31.55%

"RBC Prime Rate" means the annual rate of interest announced by Royal Bank of Canada from time to time as its prime rate for purposes of determining rates of interest it will charge on commercial loans in Canada denominated in Canadian dollars.

2.5 Interest Reserves

As security for the payment of the Loan Amount and all of the Borrowers' other obligations in respect of the Loan and under this Agreement, the Borrowers will establish interest reserves (the "Interest Reserves"), one for each tranche of the Loan, which shall be funded as follows:

- (a) for Tranche 1, in the amount of CAD\$409,010.08 (the "Tranche 1 Interest Reserve") on the First Funding Date;
- (b) for Tranche 2A, in the amounts as follows (collectively, the "Tranche 2A Interest Reserve"):
 - (1) on the Accommodation Effective Date, in the amount equal to the amount of interest that will accrue (assuming the Rate Premium is 0.00%) on the entire principal amount of Tranche 2A for the period commencing on the Accommodation Effective Date up to and including March 7, 2023 (the "Tranche 2A Additional Interest Reserve");
- (c) for Tranche 2B, in the amount as follows (collectively, the "Tranche 2B Interest Reserve"):
 - (1) on the Accommodation Effective Date, in the amount equal to the amount of interest that will accrue (assuming the Rate Premium is 0.00%) on the entire principal amount of Tranche 2B for the period commencing on the Accommodation Effective Date up to and including March 7, 2023 (the "Tranche 2B Additional Interest Reserve");
- (d) for Tranche 3, in the amount as more particularly set out in Section 2.1(d)(2) (the "Tranche 3 Interest Reserve") on the Second Funding Date;
- (e) for Tranche 4, in the amount of CAD\$136,501.15 (the "Tranche 4 Interest Reserve") on the First Funding Date; and
- (f) for Tranche 5, in the amount equal to the interest that will accrue (assuming the Rate Premium is 0.00%) on the entire principal amount of Tranche 5 for the period commencing on the Accommodation Effective Date up to and including March 7, 2023 (the "Tranche 5 Additional Interest Reserve");
- (g) for Tranche 6, in the amount of \$116,131.41 (the "Tranche 6 Interest Reserve") on the Accommodation Effective Date.

The amount of each Interest Reserve shall be deducted from the proceeds of the applicable tranche by the Lender of that tranche and shall be held and administered by that Lender.

- (d) Section 2.6(a) of the Existing Loan Agreement is amended by replacing the first paragraph thereof as follows, so that the definition of "Payment Date" is changed to the 7th day of each month.

(a) **Interest.** The Borrowers shall pay interest accrued on the then outstanding balance of the Loan on the 7th day of each month (the "Payment Date"), until the Loan Amount is paid in full.

- (e) Section 2.7(a) is deleted and replaced with the following:

(a) **Application of Payments.** *Payments made on account of the Loan Amount will be applied when received in the following order:*

- (1) *firstly, in payment of outstanding fees and costs pursuant hereto or to other Loan Documents which have accrued to the date such payment is received;*
- (2) *secondly, in payment of outstanding interest on Tranche 1, Tranche 3 and Tranche 4 then outstanding, pro rata, among all such tranches which has accrued to the date such payment is received;*
- (3) *thirdly, in payment of outstanding interest on Tranche 2A, Tranche 2B and Tranche 5 then outstanding, pro rata, among all such tranches which has accrued to the date such payment is received;*
- (4) *fourthly, in payment of outstanding interest on Tranche 6 then outstanding which has accrued to the date such payment is received;*
- (5) *fifthly, in payment of the principal balance of Tranche 1, Tranche 3 and Tranche 4 then outstanding, pro rata, among all such tranches; and*
- (6) *fourthly, in payment of the principal balance of Tranche 2A, Tranche 2B and Tranche 5 then outstanding, pro rata among all such tranches; and*
- (7) *fifthly, in payment of the principal balance of Tranche 6 then outstanding.*

Notwithstanding the foregoing, if there is an Event of Default and the Lenders have issued to the Borrowers a demand for the repayment pursuant to Section 8, then any payment received by any of the Lenders on account of the Loan Amount will be applied when received in the following order:

- (8) *firstly, in payment of outstanding fees and costs pursuant hereto or to other Loan Documents which have accrued to the date such payment is received;*
- (9) *secondly, in payment of outstanding interest and principal balance of Tranche 1, Tranche 2A, Tranche 2B, Tranche 3 and Tranche 4 then outstanding, pro rata, among all such tranches;*
- (10) *thirdly, in payment of outstanding interest and principal balance of Tranche 5; and*
- (11) *fourthly, in payment of outstanding interest and principal balance of Tranche 6,*

or otherwise in such order and in such manner as the Lenders, in their sole discretion, may unanimously determine.

- (f) Section 3 of the Existing Loan Agreement is amended by adding immediately after Section 3.5 the following as Sections 3.6 and 3.7.

3.6 UB Lot A Refinancing and Related Transactions

(a) *The Obligants acknowledge to and agree with the Lenders as follows:*

(1) *The UB Owner intends to sell UB Lot A to an arm's length purchaser (the "UB Lot A Purchaser"). The UB Lot A Purchaser will satisfy the purchase price as follows:*

- (A) *In cash, by payment to or to the direction of the UB Owner in the amount of not less than \$5,800,000 (the "UB Lot A Cash Proceeds"); and*
- (B) *In kind, by transfer of the legal and beneficial interest in the Office SL12 to the UB Owner (or its assign, in either case, the "Office SL12 Owner"), free and clear of all financial encumbrances, for a value not less than \$1,950,000;*

(the foregoing transaction, collectively, the "UB Lot A Refinancing");

(2) *Upon completion of the UB Lot A, the UB Owner will apply the UB Lot A Cash Proceeds as follows:*

(A) *\$1,788,317.45 to the UB-VTB Lender, being the net balance equal to the following (the "UB-VTB Net Paydown Amount"):*

(i) *\$525,000, on account of the interest accrued on the UB-VTB Indebtedness up to and including September 30, 2022;*

plus

(ii) *\$5,000,000, on account of the paydown by the UB Owner of the UB-VTB Indebtedness in order to reduce the outstanding principal balance thereof from \$14,000,000 to \$9,000,000;*

less

(iii) *\$3,736,682.55, on account of the amount of contribution payable to the UB-Owner by the UB-VTB Lender for its share of the environmental remediation cost incurred for the UB Property,*

provided that the UB Owner will, as a condition to making the payment of the UB-VTB Net Paydown Amount, cause the UB-VTB Lender to immediately upon receipt of such payment (i) release the UB-VTB Security from UB Lot A, and (ii) reduce the principal amount of the UB-VTB Security as registered against UB Lot 1 to \$9,000,000;

(B) *\$345,000 (or such higher amount pursuant to Section 3.7) to Lender A, on account of the Development Monitoring Charge;*

(C) *Not less than \$3,000,000 to the contractors and suppliers, on account of the costs for constructing the road connection to UB Lot 2 Development from Highway 19A and other related works, which costs will be due on or before October 30, 2022 (the "UB Lot 2 Highway Connection Costs").*

- (3) Upon completion of the UB Lot A Refinancing and concurrently with the transfer of the ownership in Office SL12 to the Office SL12 Owner, the UB Owner will (and will cause the Office SL12 Owner, as applicable) to grant the following to the Lenders (collectively, the "Office SL12 Security Documents"):
- (A) 2nd-ranking mortgage, including the terms of an assignment of rents, in favour of the Lenders charging Office SL12 granted by the Office SL12 Owner (the "Office SL12 Mortgage") in the principal amount of \$1,950,000, subject and subordinate in priority only to the 1-ranking mortgage in the principal amount of \$1,950,000 to be registered as security for the UB Project Indebtedness;
 - (B) (if applicable) general security agreement granted by Office SL12 Owner creating in favour of the Lenders a security interest in all of its present and after-acquired personal property; and
 - (C) (if applicable) unlimited guarantee by Office SL12 Owner to pay the Loan Amount and observe and perform all other obligations and liabilities of the Borrowers hereunder and under the Security Documents.
- (b) As soon as practicable and no later than 10 days prior to the date of completion of the UB Lot A Refinancing, the UB Owner will deliver to the Lenders:
- (1) copies of the constating documents and the central securities registry of Office SL12 Owner, and all information and documents regarding it and its shareholders as the Lenders may require;
 - (2) copies of the purchase and sale agreement for UB Lot A, and the vendor's final statement of adjustments related thereto; and
 - (3) all due diligence and other information regarding Office SL12 as the Lenders may require; and
 - (4) evidence to the satisfaction of the Lenders that the sale of UB Lot A will occur in substantially the manner contemplated in Section 3.6(a) above.
- (c) As soon as practicable and no later than the date of completion of the UB Lot A Refinancing, the UB Owner will grant (and will cause the Office SL12 Owner to grant) to the Lenders the Office SL12 Security Documents.
- Once granted:
- (1) the Office SL12 Security Documents shall be (and deemed to be) part of the Security Documents;
 - (2) all references to "Property" in any of the Loan Documents shall include Office SL12, and exclude UB Lot A.
 - (3) all references to "Security Documents" in any of the Loan Documents shall include the Office SL12 Security Documents; and
 - (4) all references to "Guarantors" and "Obligants" in any of the Loan Documents shall include the Office SL12 Owner.

- (d) As soon as practicable and no later than 10 days after the completion of the UB Lot A Refinancing, the UB Owner will deliver to the Lenders:
- (1) written confirmations (in form and substance satisfactory to the Lenders) that the UB-VTB Paydown has been paid to the UB-VTB Lender, that the UB-VTB Indebtedness has been so reduced to \$9,000,000 in principal amount, and that the UB-VTB Security has been discharge from UB Lot A and its principal amount registered against UB Lot 1 has been reduced to \$9,000,000; and
 - (2) written confirmations (in form and substance satisfactory to the Lenders) that the amount of the UB Lot 2 Highway Connection Costs then due or will become due, and (when paid) evidence of the payments of such costs.
- (e) To facilitate the efficient completion of the UB Lot A Refinancing, the Lenders agree that, subject to (i) the receipt and review to their satisfaction of the documents set out in paragraph (c) above, and (ii) receipt of fully executed copies of the Office SL12 Security Documents (together with legal opinion from the solicitors of Office SL12 Owner and other supporting documents related thereto), the Lenders agree to partially discharge the UB Mortgage from UB Lot A, on the condition that registration of such partial discharge shall be effected after the registration of the Office SL12 Mortgage against Office SL12, and that the Lenders (and their solicitors) are satisfied to the arrangement (including by way of undertaking of the solicitors for Office SL12 Owner) to implement the foregoing registrations.

3.7 Development Monitoring Charge

To compensate the time and enhanced efforts in monitoring the progress of the development on the UB Property, the Borrowers shall pay Lender A the following metered charge (the "Development Monitoring Charge") upon completion of the UB Lot A Refinancing, but in any case no later than November 14, 2022:

- (a) \$345,000 (the "Base Amount"); plus
- (b) If the Development Monitoring Charge is not paid in full on or before November 6, 2022, an additional amount equal to:
 - (1) 15% per annum on the Base Amount for each day from the Accommodation Effective Date, up to and including November 6, 2022; and
 - (2) 30% per annum on the Base Amount for each day from and including November 7, 2022

until the date when the charge is paid in full.

- (g) Section 4.1 is amended by deleting paragraph (s) and replacing it with "[Intentionally deleted]" and by adding the following paragraphs:

- (s) **[Intentionally deleted]**
- (t) general security agreement granted by SFT 30 creating in favour of the Lender a first-ranking security interest in all of its present and after-acquired personal property ("SFT 30 GSA");
- (u) unlimited guarantee by SFT 30 to pay the Loan Amount and observe and perform all other obligations and liabilities of the Borrowers hereunder and under the Security Documents;

- (v) *2nd modification granted by the ITC Borrower and the UB Nominee of the ITC Hotel Mortgage, the ITC Bar Mortgage and the UB Mortgage, increasing the principal amount thereof to CAD\$43,500,000 (the "2nd Modification of Mortgage");*
- (w) *beneficiary authorization and charge agreement relating to the 2nd Modification of Mortgage granted by the UB Nominee and the other UB Borrowers in favour of the Lenders (the "BAC re 2nd Modification of Mortgage");*
- (x) *2nd amended and restated priority and standstill agreement between the Lenders and the Senior A Lenders, relating to the Senior A Security and all other security held by the Senior A Lenders from the Obligants (the "Senior A / Senior B Lenders Priority Agreement"),*

6. ACCOMMODATION FEE

The Borrowers shall pay a fee in respect of this Agreement (the "Accommodation Fee") in the amount of **\$950,440.50** to Lender A.

The Accommodation Fee is non-refundable and will be earned by Lender A upon issuance to the Borrowers of this Agreement, and, subject to Section 8 below, the Accommodation Fee is deemed to be paid out of the proceeds of Tranche 6 on the Accommodation Effective Date.

For greater certainty, the Accommodation Fee is earned and payable as provided above in this Section 6, even if any of the conditions set out in Section 8 is not satisfied (or waived by the Lenders), or if any of the Obligants is otherwise unwilling or unable to complete the transactions contemplated hereunder.

7. SFT 30

Each of the Obligants, jointly and severally, represents and warrants to the Lenders, and agrees with the Lenders, as follows:

- (a) SFT 30 is an affiliate of the Borrowers.
- (b) SFT 30 is the registered and beneficial owner of 180,000 Class A ordinary shares in the capital of AMTD Digital Inc. (the "Class A Shares"), which shares are represented by a share certificate, number 51, issued by AMTD Digital Inc. (the "Share Certificate"), free and clear of any security interest, mortgage, lien, charge, or other encumbrance whatsoever.
- (c) The American depository shares ("ADS") of AMTD Digital Inc. are listed on the New York Stock Exchange under the ticket symbol "HKD"; and every five ADS represent two Class A Shares.
- (d) The sole business of SFT 30 is for the purpose of owning the 180,000 Class A Shares (the "SFT 30 Shareholding").
- (e) SFT 30 has all requisite power and authority, and has obtained all necessary consents, in order to grant SFT 30 GSA and to pledge and otherwise create interest in the SFT 30 Shareholding in favour of the Lenders.
- (f) Upon request of the Lenders, SFT 30 shall (and the other Obligants shall cause SFT 30 to) deliver the Share Certificate, together with a stock power of attorney, endorsed in blank, to or to the direction of the Lenders.

8. CONDITIONS PRECEDENT

Notwithstanding any other provisions of this Agreement, the accommodation of the Lenders' pursuant to Section 3 above and the amendment to the Existing Loan Agreement pursuant to Section 5 above shall not become effective unless and until the following conditions have been satisfied to the satisfaction of the Lenders (or waived by the Lenders in their sole discretion):

- (a) the Lenders shall have received the following documents, each in form and substance to their satisfaction
 - (1) this Agreement, duly executed by the Obligants;
 - (2) the SFT 30 GSA and the SFT 30 Guarantee (as both terms are defined under amendment pursuant to Section 5(g) above), duly executed by the parties thereto;
 - (3) the 2nd Modification of Mortgage, the BAC re 2nd Modification of Mortgage, and the Senior A / Senior B Lenders Priority Agreement (as both terms are defined under amendment pursuant to Section 5(g) above), duly executed by the parties thereto; and
 - (4) irrevocable and unconditional direction as to the application of the proceeds of Tranche 2 and Tranche 5 signed by the Borrowers;
- (b) the Lenders shall have received the following documents, each in form and substance to their satisfaction
 - (1) certificate of good standing (or equivalent) with respect to SFT 30;
 - (2) certificate of officers or directors of SFT 30;
 - (3) an opinion issued by counsel to SFT 30 as to their existence, the authorization, execution, delivery by each of the Obligants of the applicable Loan Documents, and such other matters as the Lenders or their solicitors may require;
 - (4) written confirmation in form and substance satisfactory to the Lenders issued by AMTD Digital Inc. that (i) SFT 30 is the registered owner of 180,000 Class A Shares, (ii) such shares remain certificated, and AMTD Digital Inc. has possession of the Share Certificate, and (iii) AMTD Digital Inc. has not entered into any agreement with any person to deliver the Share Certificate or otherwise comply with the instruction from such person regarding the Share Certificate;
- (c) all registrations and filings in connection with the SFT 30 GSA, the 2nd Modification of Mortgage and the Senior A / Senior B Lenders Priority Agreement have been made to the satisfaction of the Lenders; and
- (d) there must be no outstanding Event of Accommodation Default and no outstanding event, which with the passing of time, the giving of notice or otherwise would constitute an Event of Accommodation Default.

9. EVENTS OF ACCOMMODATION DEFAULT

9.1 Events

Each of the following constitutes an Event of Accommodation Default:

- (a) if at any time there is a default or a breach by an Obligant of any covenant, agreement, term, condition, stipulation or proviso contained in this Agreement;
- (b) if an Event of Default (other than the Existing Default) has occurred under the Loan Agreement or any other Loan Document; or
- (c) if the Lenders, in their sole discretion, believe that (i) the Hotel Property Beneficial Transfer has been fully consummated, or (ii) the Borrower no longer has the sole control to the Hotel Property, or (iii) there is any change in the ownership or management of any Borrower, any of the other Obligants, the Hotel Property or any other Property (or any part thereof) that could have a material adverse effect on the validity and enforceability of the Loan Agreement, the Security Documents, the Lenders' rights, benefits and remedies thereunder, or the validity or priority of the Lenders' security interests created thereunder.

9.2 Remedies

Upon the occurrence of an Event of Accommodation Default, the Accommodation Period will automatically expire and come to an end (unless expressly waived by the Lenders in their sole discretion), and the Lenders may in their sole discretion exercise any and all of the rights, remedies and powers under the Loan Agreement, the Security Documents, the Loan Documents and this Agreement.

It shall constitute an Event of Default under the Loan Agreement, the Security Documents and the other Loan Documents if an Event of Accommodation Default has occurred.

10. GENERAL

10.1 Amendment

This Agreement shall be read and construed along with the Existing Loan Agreement and be treated as a part thereof and, for such purposes and so far as may be necessary to effectuate these presents, the Existing Loan Agreement shall be regarded as being hereby amended (subject to Section 8 above), and the Existing Loan Agreement as so amended together with all of the covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained in the Existing Loan Agreement shall continue in full force and effect.

10.2 Expenses

The Borrowers shall pay on demand all costs and expenses incurred by or on behalf of the Lenders in carrying out or attempting to carry out the transaction(s) contemplated under this Agreement or in implementing or enforcing the terms of this Agreement.

10.3 Successors and Assigns

This Agreement and the Loan Agreement shall enure to the benefit of and be binding on each of the parties hereto and their respective personal representatives, successors and permitted assigns.

10.4 Applicable Law

This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.

10.5 Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument, and all such counterparts may be delivered by way of facsimile transmission or in PDF by e-mail to the other party.

[Signature Pages Follow.]

IN WITNESS WHEREOF the parties hereto execute this Agreement on the date first above written.

Lenders:

FOX ISLAND DEVELOPMENT LTD.

Per: 
Authorized Signatory

ADVANCED VENTURE HOLDING CO., LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

[Obligants' Signature Page Follows]

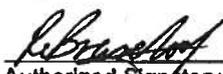
IN WITNESS WHEREOF the parties hereto execute this Agreement on the date first above written.

Lenders:

FOX ISLAND DEVELOPMENT LTD.

Per: _____
Authorized Signatory

ADVANCED VENTURE HOLDING CO., LTD.

Per:  _____
Authorized Signatory
STANDARD NOMINEES LIMITED

Per:  _____
Authorized Signatory
STANDARD NOMINEES LIMITED

[Obligants' Signature Page Follows]

Borrowers:

KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, by its general partner, **KENSINGTON UNION BAY PROPERTIES GP LTD.**

Per: [Signature]
Mo Yeung Ching
Authorized Signatory

KENSINGTON UNION BAY PROPERTIES GP LTD.

Per: [Signature]
Mo Yeung Ching
Authorized Signatory

34083 YUKON INC.

Per: [Signature]
Mo Yeung Ching
Authorized Signatory

INTERNATIONAL TRADE CENTER PROPERTIES LTD.

Per: [Signature]
Mo Yeung Ching
Authorized Signatory

Guarantors:

MO YEUNG PROPERTIES LTD.

Per: [Signature]
Mo Yeung Ching, Authorized Signatory

SUNWINS ENTERPRISES LTD.

Per: [Signature]
Mo Yeung Ching, Authorized Signatory

HOTEL VERSANTE LTD.

Per: [Signature]
Mo Yeung Ching, Authorized Signatory

SFT DIGITAL HOLDINGS 30 LTD.

Per: [Signature], Authorized Signatory

SIGNED, SEALED AND DELIVERED:)

[Signature])
Signature of Witness)

THOMAS RUSSELL)
Name of Witness SOLICITOR)

SUITE 500 NORTH TOWER)
Address 5811 COONEY ROAD)
RICHMOND, B.C. V6X 3M1)

TELEPHONE 604-276-2765)
Occupation)

[Signature])
MO YEUNG CHING (also known as MICHAEL CHING))

This is **Exhibit " B "** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

A Commissioner for taking Affidavits for
British Columbia

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT is dated for reference June 14, 2021

BETWEEN:

**34083 YUKON INC. ("UB Nominee");
KENSINGTON UNION BAY PROPERTIES GP LTD. (the "GP");
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP (the "LP");
INTERNATIONAL TRADE CENTER PROPERTIES LTD. ("ITC Borrower" and together with
the UB Nominee, the GP and the LP collectively, the "Borrowers");
HOTEL VERSANTE LTD. (the "Hotel Operator");
SUNWINS ENTERPRISE LTD. ("Sunwins");
MO YEUNG PROPERTIES LTD. ("MYPCo"); and
MO YEUNG CHING (also known as Michael Ching) ("Ching")**

(collectively, the "Debtor")

AND:

FOX ISLAND DEVELOPMENT LTD. ("Lender A")

(the "Secured Party")

FOR VALUE RECEIVED, the Debtor hereby covenants, agrees, warrants, represents, acknowledges and confirms to and with the Secured Party and creates and grants the mortgages, charges and security interests hereinafter set forth, as follows:

In this Security Agreement:

- (a) "Debtor" means, collectively, the UB Nominee, the GP and the LP (of which the GP is the general partner), ITC Borrower, the Hotel Operator, Sunwins, MYPCo and Ching, and, except where the context or plain meaning may otherwise require, includes each or any one or more of them separately. Except where the context or plain meaning may otherwise require, all warranties, representations, authorizations, acknowledgements, confirmations, covenants and agreements of or provided by the Debtor in this Security Agreement shall be construed as being given or made or provided by the UB Nominee, the GP and the LP, ITC Borrower, the Hotel Operator, Sunwins, MYPCo and Ching, jointly and severally; and
- (b) "Secured Party" means, collectively, Lender A and such other persons who may become a Lender under the Loan Agreement from time to time, for their ratable benefits based on their respective Lender's Proportions (as defined in the Loan Agreement).

1. SECURITY INTEREST

1.1 Grant of Security Interest

For the consideration aforesaid and as security for the payment and performance of the Secured Obligations (as hereinafter defined), the Debtor, subject to the exceptions set out in Section 2 hereof, does hereby:

- (a) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all the

Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held personal property, of whatever nature or kind and wheresoever situate and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:

- (1) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the "Inventory");
- (2) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property of whatsoever nature or kind that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the "Equipment");
- (3) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which is hereinafter collectively called the "Accounts");
- (4) all deeds, documents, writings, papers, books of account and other books and electronically recorded data relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (5) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights and other industrial or intellectual property of the Debtor, all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property or Money;
- (6) all Money;
- (7) all property described in Schedule A attached hereto, if so attached, or in any schedule now or at any time hereafter annexed hereto or agreed to form part hereof;
- (8) the undertaking of the Debtor; and
- (9) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor), and all other goods of the Debtor which are not Equipment, Inventory or Accounts;

- (10) any and all property from time to time held by the UB Nominee in trust for the LP; and
 - (11) all of the GP's right, title and interest from time to time in and to the LP, including, without limitation, all of the GP's right, title and interest from time to time in and to the presently owned or held and after acquired or held personal property of the LP; and
- (b) charge as and by way of a floating charge to and in favour of the Secured Party, and grant to the Secured Party a security interest in and to:
- (1) all the Debtor's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant and other fixtures (all of which is hereinafter collectively called "Real Property"); and
 - (2) all property, assets and undertakings of the Debtor, both present and future, of whatsoever nature or kind and wheresoever situate, and all Proceeds thereof and therefrom, other than such of its property, assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created pursuant to Section 1.1(a) hereof; and
- (c) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all of the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:
- (1) is or hereafter becomes a fixture; or
 - (2) constitutes a licence, quota, permit or other similar right or benefit or crops.

The mortgages, charges, assignments and transfers and security interests created or granted pursuant to Sections 1.1 (a), (b) and (c) hereof are hereinafter collectively called the "Security Interest", and all property, assets, interests and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured hereby or expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "Collateral".

2. EXCEPTIONS

The Security Interest granted hereby shall not extend or apply to and the Collateral shall not extend to or include:

- (a) Consumer Goods (except with respect to Ching); or
- (b) the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

3. SECURED OBLIGATIONS

This Security Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or hereafter held by the Secured Party from the Debtor, any of the other Obligants, or from any other person whomsoever and shall be general and continuing security for the payment, performance and satisfaction of the Secured Obligations.

4. PROHIBITIONS

Without the prior written consent of the Secured Party the Debtor shall not and shall not have power to:

- (a) grant, create or permit to be created any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to or pari passu with the Security Interest;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

5. ATTACHMENT

The Debtor acknowledges that the Security Interest attaches upon the execution of this Security Agreement (or in the case of any after acquired property, at the time of acquisition thereof), that value has been given, and that the Debtor has, or in the case of after acquired property will have at the time of acquisition, rights in the Collateral.

6. REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party that:

- (a) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens and claims, save only the charges or security interests, if any, shown in any Schedule hereto and those consented to in writing by the Secured Party, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Security Agreement;
- (b) where the Collateral includes Accounts, Chattel Paper or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder and that the Debtor has fully and accurately disclosed to the Secured Party the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (c) with respect to goods constituting Collateral, the Debtor has herein or elsewhere fully and accurately disclosed to the Secured Party the locations thereof and of the business operations and records of the Debtor;
- (d) the Debtor has not consented to the entering into by: (A) any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement; or (B) any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement, other than, in either case, the Secured Party.

7. COVENANTS OF THE DEBTOR

7.1 General Covenants

The Debtor covenants and agrees with the Secured Party that at all times while this Security Agreement remains in effect the Debtor will:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (1) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature which may be 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 Secured Party may require; and
 - (2) all security interests, charges, encumbrances, liens and claims which rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any Schedule hereto and those consented to in writing by the Secured Party;
- (e) forthwith reimburse and indemnify the Secured Party for all costs, charges, expenses and legal fees and disbursements which may be incurred by the Secured Party in:
 - (1) inspecting the Collateral;
 - (2) negotiating, preparing, perfecting and registering this Security Agreement or notice of it and other documents, whether or not relating to this Security Agreement;
 - (3) investigating title to the Collateral;
 - (4) taking, recovering, keeping possession of and insuring the Collateral; and
 - (5) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other Security Interest held by the Secured Party as security for the Secured Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of:

- (1) any change in the information contained herein relating to the Debtor, its address, its business or the Collateral, including without limitation any change of name or address of the Debtor and any change in location of any Collateral;
 - (2) the details of any material acquisition of Collateral;
 - (3) any material loss or damage to the Collateral;
 - (4) any material default by any account debtor in payment or other performance of his obligations to the Debtor with respect to any Accounts;
 - (5) the return to or repossession by the Debtor of the Collateral where such return or repossession of the Collateral is material in relation to the business of the Debtor; and
 - (6) the details of any claims or litigation affecting the Debtor or the Collateral;
- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;
- (i) permit the Secured Party and its representatives, at all reasonable times, access to all its 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;
- (j) deliver to the Secured Party from time to time promptly upon request:
- (1) any Documents of Title, Instruments, Investment Property and Chattel Paper constituting, representing or relating to Collateral;
 - (2) 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;
 - (3) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (4) all policies and certificates of insurance relating to the Collateral; and
 - (5) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably require;
- (k) 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 Collateral;
- (l) observe and perform the additional covenants, if any, set out in any schedule attached hereto;
- (m) will not consent to:
- (1) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement in respect of such Uncertificated

Securities with any Person other than the Secured Party or such nominee or agent as it may direct; or

- (2) the entering into by any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement with respect to such Securities Accounts or Securities Entitlements with any Person other than the Secured Party or such nominee or agent as it may direct; and
- (n) promptly upon request from time to time by the Secured Party, the Debtor shall:
 - (1) enter into and use reasonable commercial efforts to cause any Securities Intermediary for any Securities Accounts or Securities Entitlements included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Securities Accounts or Securities Entitlements as the Secured Party requires in form and substance satisfactory to the Secured Party; and/or
 - (2) enter into and use reasonable commercial efforts to cause any issuer of any Uncertificated Securities included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Uncertificated Securities in form and substance satisfactory to the Secured Party.

7.2 Covenants Regarding Collateral

Except as herein provided, without the prior written consent of the Secured Party, the Debtor will not:

- (a) sell, lease or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.3 Dealings With Collateral

Provided that the Debtor is not in default under this Security Agreement, at any time without the consent of the Secured Party the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

8. INSURANCE

8.1 Covenants Regarding Insurance

The Debtor covenants that at all times while this Security Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire including extended coverage endorsement and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;

- (b) cause the insurance policy or policies required hereunder to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
- (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.

8.2 Application of Insurance Proceeds

If proceeds of any insurance required hereunder become payable the Secured Party may, in its absolute discretion, apply such proceeds to such part or parts of the Secured Obligations as the Secured Party may see fit or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Secured Obligations or in any way affect this Security Agreement.

8.3 Proof of Loss

The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

8.4 Secured Party as Loss Payee

The Debtor hereby irrevocably authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Secured Party as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance, and the production by the Secured Party to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.

8.5 Failure to Maintain Insurance Coverage

If the Debtor fails to maintain insurance as required hereby, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

9. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and Section 11 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

10. INVESTMENT PROPERTY

If Collateral at any time includes Investment Property, the Debtor hereby authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its

nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After default, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

To the extent that Investment Property includes an interest in or unit certificates in a partnership or a limited liability company, the Debtor represents and warrants that the terms of any interest in such partnership or limited liability company provide that such interest is a "security" for the purposes of the STA and in the event that the terms of any interest in a partnership or limited liability company does not so provide, the Debtor agrees to amend the terms with respect to such partnership or limited liability company to expressly provide that such interest is a "security" for the purposes of the STA.

11. COLLECTION OF DEBTS

Before or after default under this Security Agreement, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from account debtors, whether before or after notification of this Security Interest to account debtors and whether before or after default under this Security Agreement shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.

12. INCOME FROM AND INTEREST ON COLLATERAL

12.1 Income Until Default

Until default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money prior to default, the Secured Party shall either credit the same against the Secured Obligations or pay the same promptly to the Debtor.

12.2 Income After Default

After default, the Debtor will not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor will hold such money in trust for the Secured Party and will pay the same promptly to the Secured Party.

13. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

13.1 Receipt by Secured Party

Whether or not default has occurred, the Debtor authorizes the Secured Party:

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of Section 12 hereof and dealt with accordingly; and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

13.2 Receipt by Debtor

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

14. DISPOSITION OF MONIES

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

15. PERFORMANCE OF OBLIGATIONS

If the Debtor fails to perform any of its obligations hereunder, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Secured Obligations and such amounts shall be secured hereby and rank prior to all claims subsequent to this Security Agreement.

16. DEFAULT**16.1 Events of Default**

The occurrence of an Event of Default under any one or more of the Loan Documents shall constitute default hereunder (each a "default") unless remedied by the Debtor in accordance with the provisions of the applicable Loan Document or waived by the Secured Party.

16.2 Floating Charge

For all purposes, including without limitation any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

- (a) the occurrence of an Event of Default; or
- (b) the Secured Party taking any action pursuant to Section 17 hereof to enforce and realize upon any or all of the Security Interest created by this Security Agreement,

and in any event upon the appointment by the Secured Party of a Receiver pursuant to Section 17 hereof.

16.3 Consolidation

In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Security Agreement.

17. ENFORCEMENT

17.1 Rights of Secured Party on Default

Upon any default under this Security Agreement, the security hereby constituted will immediately become enforceable. To enforce and realize on the security constituted by this Security Agreement the Secured Party may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by Instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor 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;
- (c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;
- (d) sell, lease or otherwise dispose 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 Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit 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;
- (e) exercise all of the rights and remedies of a secured party under the Act; and
- (f) the Secured Party may sell, transfer or use any Investment Property included in the Collateral of which the Secured Party or its agent has "control" within the meaning of the STA.

17.2 Receiver

A Receiver appointed pursuant to this Security Agreement shall be the agent of the Debtor and not of the Secured Party and the Secured Party shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any Receiver, its servants, agents or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, use Collateral directly or indirectly in carrying on the Debtor's business and from time to time to borrow money either unsecured or secured by a security interest in any of the Collateral.

17.3 Proceeds of Realization

Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Secured Party, in its absolute discretion, may direct or as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Secured Party in connection with or incidental to:
 - (1) the exercise by the Secured Party of all or any of the powers granted to it pursuant to this Security Agreement; and
 - (2) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
- (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Secured Obligations;
- (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Secured Obligations; and
- (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation or person other than the Secured Party and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus will be paid to the Debtor.

17.4 Immediate Exercise of Rights

The Debtor agrees that the Secured Party may exercise its rights and remedies hereunder immediately upon default, except as may be otherwise provided in the Act, and the Debtor hereby expressly confirms that except as may be otherwise provided herein or in the Act, the Secured Party has not given any covenant, express or implied, and is under no obligation to allow the Debtor any period of time to remedy any default prior to the Secured Party exercising its rights and remedies hereunder.

18. DEFICIENCY

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Secured Obligations in full, the Debtor will immediately pay to the Secured Party the amount of such deficiency.

19. RIGHTS CUMULATIVE

All rights and remedies of the Secured Party set out in this 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 security agreement or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

20. LIABILITY OF SECURED PARTY

The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as herein provided, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on

realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party 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 Secured Party, in the case of Investment Property, Instruments or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than aforesaid.

21. APPOINTMENT OF ATTORNEY

The Debtor hereby irrevocably appoints the Secured Party 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 Secured Party or the Receiver, as the case may be, pursuant to this Security Agreement.

22. ACCOUNTS

Notwithstanding any other provision of this Security Agreement, the Secured Party may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the provisions of Part V of the Act. All monies or other forms of payment received by the Debtor in payment of any Account will be received and held by the Debtor in trust for the Secured Party.

23. APPROPRIATION OF PAYMENTS

Any and all payments made in respect of the Secured Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Secured Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

24. LIABILITY TO ADVANCE

None of the preparation, execution, perfection and registration of this Security Agreement or notice hereof or the advance of any monies shall bind the Secured Party 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 Secured Party.

25. WAIVER

The Secured Party 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 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, and no delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

26. NOTICE

Notice may be given by any party in writing and shall be well and sufficiently given if sent by prepaid registered mail, by delivery, or by facsimile transmission to the party for whom it is intended, at the

address or transmitted to the facsimile number herein provided, or to such other address or to such other facsimile number as may be set forth in any notice given pursuant to these notice provisions from time to time. Any such notice shall be deemed to have been given and received:

- (a) if delivered, when delivered;
- (b) if mailed by prepaid registered mail when there is no known or anticipated disruption of postal services, on the third business day following that on which it was mailed; and
- (c) if sent by facsimile transmission, on the close of business on the day on which it was transmitted.

27. EXTENSIONS

The Secured Party 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 the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties and others and with the Collateral, the Security Interest and other security interests as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Security Agreement.

28. NO MERGER

This Security Agreement shall not operate so as to create any merger or discharge of any of the Secured Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from the Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Secured Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

29. ASSIGNMENT

The Secured Party may, without further notice to the Debtor, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Security Agreement and the Debtor will not assert any defence, counterclaim, right of set-off or otherwise with respect to any claim which the Debtor now has or hereafter acquires against the Secured Party in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Secured Obligations to the assignee, transferee or secured party, as the case may be, as the Secured Obligations become due.

30. SATISFACTION AND DISCHARGE

Any partial payment or satisfaction of the Secured Obligations, or any ceasing by the Debtor to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Secured Obligations and upon written request by the Debtor and payment to the Secured Party of a discharge fee to be fixed by the Secured Party and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Secured Obligations and such release and discharge.

31. ENUREMENT

This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

32. INTERPRETATION

32.1 Defined Terms

In this Security Agreement:

- (a) "Act" means the *Personal Property Security Act* of British Columbia and all regulations thereunder as the same may be amended from time to time;
- (b) "Collateral" has the meaning set out in Section 1 hereof and any reference to Collateral shall, unless the context otherwise requires, be deemed a reference to Collateral as a whole or any part thereof;
- (c) "Control Agreement" means:
 - (1) with respect to any Uncertificated Security included in the Collateral, an agreement between the issuer of such Uncertificated Securities and another Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such Uncertificated Security, without the further consent of the Debtor; and
 - (2) with respect to any Securities Accounts or Security Entitlements included in the Collateral, an agreement between the Securities Intermediary in respect of such Securities Accounts or Security Entitlements to comply with any Entitlement Orders with respect to such Securities Accounts or Security Entitlements that are originated by Secured Party, without the further consent of the Debtor;
- (d) "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 individuals, corporations or partnerships and, if more than one, shall apply to and be binding upon each of them jointly and severally;
- (e) "Event of Default" means an "Event of Default" under the Loan Agreement;
- (f) "licence" means any licence or similar right at any time owned or held by the Debtor including but without being limited to a "licence" as defined in the Act;
- (g) "Loan Agreement" means the loan agreement dated for reference June 14, 2021 between, among others, the Secured Party and the Borrowers with respect to the loan to be made to the Borrowers, jointly and severally, not at any time exceeding the Loan Amount, as the said loan agreement may be amended, extended, renewed, replaced, restated and in effect from time to time;
- (h) "Loan Documents" means, collectively, the Loan Agreement, this Security Agreement, and all other documents and instruments evidencing or securing the payment of the Secured Obligations in whole or in part, whether provided by or on behalf of an Obligor;
- (i) "Obligor" or "Obligors" means, collectively, the Debtor and all other Persons who are from time to time liable to the Secured Party for the payment of the whole or any portion of the Secured Obligations, whether directly or indirectly, absolutely or contingently, jointly, severally or jointly and severally and includes all Persons who from time to time otherwise become liable for, or who agree to indemnify the Secured Party for any loss, costs or damages as a result of the failure of any other Persons to pay the Secured Obligations, in whole or in part;

- (j) "Person" or "Persons" means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof);
- (k) "Secured Obligations" means all indebtedness and liability of all or any one or more of the Obligants to the Secured Party under the Loan Documents, whether such indebtedness and liability is present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, under or pursuant to any of the Loan Documents;
- (l) "STA" means the *Securities Transfer Act* of the Province of British Columbia, as amended from time to time and all regulations thereunder, which act, including amendments thereto and any act substituted therefor and amendments thereto is herein referred to as the "STA" and "Person" shall have the meaning ascribed to it in the STA; and
- (m) Words with initial capital letters, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement.

32.2 General

Words and expressions used herein that have been defined in the Act or in the STA shall be interpreted in accordance with their respective meanings given in the Act or in the STA as applicable, whether expressed herein with or without initial capital letters and whether in the singular or the plural unless otherwise defined herein or unless the context otherwise requires, and wherever the context so requires in this Security Agreement the singular shall be read as if the plural were expressed, and vice-versa, 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.

32.3 Severability

Should any provision of this Security Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability will not affect the validity or enforceability of any or all of the remaining provisions of this Security Agreement which will continue in full force and effect and be construed as if this Security Agreement had been executed without the invalid or unenforceable provision.

32.4 Headings

The headings of the sections and clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

32.5 Governing Law

This Security Agreement shall be governed by the laws of British Columbia.

33. MISCELLANEOUS

- (a) The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things as the Secured Party may deem appropriate to perfect on an ongoing basis and continue

the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest.

- (b) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of the Act, notice of any other action taken by the Secured Party.
- (c) The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:
 - (1) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
 - (2) shall secure the "Secured Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Secured Obligations" of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.
- (d) The Debtor hereby authorizes the Secured Party to provide a copy of this Security Agreement and such other information and documents specified under the Act to any person entitled pursuant to the Act to demand and receive same.

34. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor hereby:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Security Agreement.

35. PARAMOUNTCY

In the event of any inconsistency between the terms of this Security Agreement and the terms of the Loan Agreement with respect to any matter specifically dealt with herein and therein, the provisions of the Loan Agreement will govern, unless as a result thereof (i) the mortgages, charges and security interests created herein or (ii) any of the remedies available to the Secured Party hereunder would be in any way diminished or invalidated, in which case the provisions of this Security Agreement will prevail.

36. DEBTOR AND SECURED PARTY INFORMATION**36.1 Debtor Address**

1205 - 8400 West Road
Richmond, BC V6X 0S7

Attention: Mo Yeung Ching
Email: michael@myiegroupp.com

with a copy to:

Pryke Lambert Leathley Russell LLP
5811 Cooney Road, Unit 500
Richmond, BC V6X 3M1

Attention: Tom Russell
Email: trussell@pllr.com

36.2 Secured Party Address

(a) in the case of the Secured Party:

c/o Fox Island Development Ltd.
1800 – 510 West Georgia Street
Vancouver, BC, V6B 0M3

Attention: Gavin Wang
E-mail: www031@gmail.com and wwwvip@163.com

with a copy to:

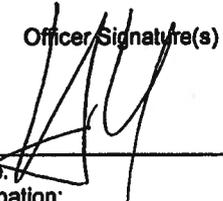
Norton Rose Fulbright Canada LLP
1800 – 510 West Georgia Street
Vancouver, BC, V6B 0M3

Attention: Matthew Choi
E-mail: matthew.choi@nortonrosefulbright.com

[Signature Page Follows]

IN WITNESS WHEREOF the Debtor has executed this Security Agreement on the date indicated below.

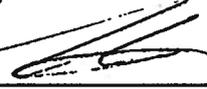
EXECUTION DATE

Officer Signature(s)


 Name:
 Occupation:
 Address: **THOMAS RUSSELL**
SOLICITOR
 SUITE 500 NORTH TOWER
 5811 COONEY ROAD
 RICHMOND, B.C. V6X 3M1
 TELEPHONE 604-276-2765

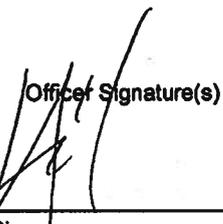
Y	M	D
21	06	17

34083 YUKON INC., by its authorized signatory:



 Mo Yeung Ching
 also known as Michael Ching

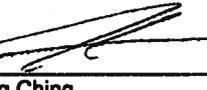
EXECUTION DATE

Officer Signature(s)


 Name:
 Occupation:
 Address: **THOMAS RUSSELL**
SOLICITOR
 SUITE 500 NORTH TOWER
 5811 COONEY ROAD
 RICHMOND, B.C. V6X 3M1
 TELEPHONE 604-276-2765

Y	M	D
21	06	17

KENSINGTON UNION BAY PROPERTIES GP LTD., by its authorized signatory:



 Mo Yeung Ching
 also known as Michael Ching

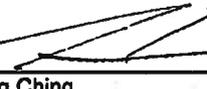
EXECUTION DATE

Officer Signature(s)


 Name:
 Occupation:
 Address: **THOMAS RUSSELL**
SOLICITOR
 SUITE 500 NORTH TOWER
 5811 COONEY ROAD
 RICHMOND, B.C. V6X 3M1
 TELEPHONE 604-276-2765

Y	M	D
21	06	17

KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP by its general partner KENSINGTON UNION BAY PROPERTIES GP LTD., by its authorized signatory:



 Mo Yeung Ching
 also known as Michael Ching

Officer Signature(s)


Name: _____

Occupation:

Address:

THOMAS RUSSELL
SOLICITOR
SUITE 500 NORTH TOWER
5811 COONEY ROAD
RICHMOND, B.C. V6X 3M1
TELEPHONE 604-276-2765

EXECUTION DATE

Y	M	D
19	06	17

INTERNATIONAL TRADE CENTER
PROPERTIES LTD., by its authorized
signatory:


Name: _____

Mo Yeung Ching
also known as Michael Ching

Officer Signature(s)


Name: _____

Occupation:

Address:

THOMAS RUSSELL
SOLICITOR
SUITE 500 NORTH TOWER
5811 COONEY ROAD
RICHMOND, B.C. V6X 3M1
TELEPHONE 604-276-2765

EXECUTION DATE

Y	M	D
21	06	17

HOTEL VERSANTE LTD., by its authorized
signatory:


Name: _____

Mo Yeung Ching
also known as Michael Ching

Officer Signature(s)


Name: _____

Occupation:

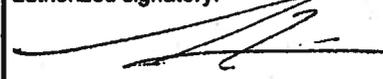
Address:

THOMAS RUSSELL
SOLICITOR
SUITE 500 NORTH TOWER
5811 COONEY ROAD
RICHMOND, B.C. V6X 3M1
TELEPHONE 604-276-2765

EXECUTION DATE

Y	M	D
21	06	17

SUNWINS ENTERPRISE LTD., by its
authorized signatory:


Name: _____

Mo Yeung Ching
also known as Michael Ching

[Signature Page Continues on Next Page]

EXECUTION DATE

Officer Signature(s)


 Name: _____
 Occupation: **THOMAS RUSSELL**
 Address: **SOLICITOR**
SUITE 500 NORTH TOWER
5811 COONEY ROAD
RICHMOND, B.C. V6X 3M1
TELEPHONE 604-276-2765

Y	M	D
21	06	17

MO YEUNG PROPERTIES LTD., by its authorized signatory:

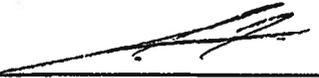

 Name: _____
 Occupation: _____
 Address: _____
Mo Yeung Ching
also known as Michael Ching

EXECUTION DATE

Officer Signature(s)


 Name: _____
 Occupation: _____
 Address: **THOMAS RUSSELL**
SOLICITOR
SUITE 500 NORTH TOWER
5811 COONEY ROAD
RICHMOND, B.C. V6X 3M1
TELEPHONE 604-276-2765

Y	M	D
21	06	17


 Name: _____
 Occupation: _____
 Address: _____
MO YEUNG CHING
also known as Michael Ching

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.

This is **Exhibit "C"** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

A Commissioner for taking Affidavits for
British Columbia

ASSIGNMENT OF MATERIAL CONTRACTS

THIS ASSIGNMENT dated for reference June 14, 2021.

AMONG:

**34083 YUKON INC.
KENSINGTON UNION BAY PROPERTIES GP LTD.
KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP and
INTERNATIONAL TRADE CENTER PROPERTIES LTD. and
HOTEL VERSANTE LTD.**

(collectively, the "Assignors")

AND:

FOX ISLAND DEVELOPMENT LTD. ("Lender A")

In this Assignment, "Lenders" means collectively, Lender A and such other persons who may become a Lender under the Loan Agreement from time to time, for their ratable benefits based on their respective Lender's Proportions (as defined in the Loan Agreement).

WHEREAS the Assignors have agreed to make and deliver to the Lenders this Assignment as collateral security for the Secured Obligations.

NOW THEREFORE IN CONSIDERATION of the sum of \$1.00 and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), the parties hereto hereby agree as follows:

1. DEFINITIONS

Words with initial capital letters, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement (as hereinafter defined).

- (a) "Assignment" means this agreement, together with any amendments;
- (b) "Assignors" include their respective successors and permitted assigns and except where the context or plain meaning may otherwise require, includes any one or more of them separately;
- (c) "Event of Default" has the meaning ascribed to it in the Loan Agreement;
- (d) "Lands" means the lands described in Schedule A hereto, and includes all construction and other improvements thereof (or any portion thereof);
- (e) "Loan Agreement" means the loan agreement dated for reference June 14, 2021 between, among others, the Lenders and the Assignors with respect to the loan to be made to the Assignors, not at any time exceeding the Loan Amount, as the said loan agreement may be amended, extended, renewed, replaced, restated and in effect from time to time;

- (f) **"Loan Documents"** means, collectively, the Loan Agreement, this Assignment, and all other documents and instruments evidencing or securing the payment of the Secured Obligations in whole or in part, whether provided by or on behalf of an Obligant, as any of the foregoing may amended, extended, renewed, replaced, restated and be in effect from time to time;
- (g) **"Material Contracts"** means collectively, (i) all architectural plans and specifications, development approvals and permits, licences, construction management agreements, major fixed price sub-trade contracts, contracts, bonds, lease agreements, and (ii) all other material contracts, agreements, permits, licences, approvals or other documents or rights held by or for the benefit of the Assignors (or any of them), all with respect to the Lands or any development thereon, or reasonably required or incidental with respect thereto, including, without limitation, the Material Contracts described in Schedule B hereto, as the same may be amended, extended, renewed, restated or replaced and in effect from time to time;
- (h) **"Material Contract Rights"** means all the rights, entitlements, privileges, powers and benefits held at any time and from time to time by or for the benefit of the Assignors (or any of them), under or incidental to any of the Material Contracts, whether arising under contract, statute or otherwise at law or in equity, and including, without limitation, all such rights, entitlements, privileges, power and benefits arising under, deriving from or relating to all security, agreements, rights, permissions, approvals, consents and licences in favour of the Assignors (or any of them), or any Person acting or purportedly acting on the Assignors' behalf under or pursuant to under any of the Material Contracts, whether governmental or otherwise, and of all guarantees, covenants, terms, conditions, representations and warranties made or expressed therein or implied by law in relation thereto and all rights granted to the Assignors (or any of them), under any of the Material Contracts to give consents or approvals, make selections, exercise options, participate in arbitration or other legal proceedings, give notices and declare defaults thereunder or otherwise take action or exercise any power, remedy or recourse, and the foregoing shall include all accretions to, and derivatives of, in respect of same;
- (i) **"Monies"** means all monies and other sums payable to or receivable by or for the benefit of the Assignors (or any of them), to which such Assignors are entitled from time to time under or in respect of any of the Material Contracts and the Material Contract Rights;
- (j) **"Obligant" or "Obligants"** means, collectively, the Assignors and all other Persons who are from time to time liable to all or any one or more of the Lenders for the payment of the whole or any portion of the Secured Obligations, whether directly or indirectly, absolutely or contingently, jointly, severally or jointly and severally and includes all Persons who from time to time otherwise become liable for, or who agree to indemnify the all or any one or more of the Lenders for any loss, costs or damages as a result of the failure of any other Persons to pay the Secured Obligations, in whole or in part;
- (k) **"Persons" or "Person"** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof);
- (l) **"Secured Obligations"** means all indebtedness and liability of all or any one or more of the Obligants to all or any one or more of the Lenders under the Loan Documents, whether such indebtedness and liability is present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current

or running account and all future advances and re advances, under or pursuant to any of the Loan Documents; and

- (m) Words and phrases expressed in the singular include and may be read in the plural, and vice versa, except where the context may otherwise require.

2. REPRESENTATIONS AND WARRANTIES

Each of the Assignors hereby represents, warrants and covenants to and with the Lenders that:

- (a) it has not assigned, transferred, set over, delegated, otherwise alienated, terminated, abolished or suspended whether in whole or in part, any rights or entitlements under any now or hereafter existing Material Contract, any Material Contract Rights or any of the Monies which the Assignor is or may subsequent to the date hereof be entitled;
- (b) it has not performed any act, issued or caused to be issued, any claim, proceeding, instruction or direction or executed any other instrument which might prevent the Lenders from exercising any of their respective rights or remedies under the terms and conditions of this Assignment or which would limit the Lenders in any such exercise;
- (c) it has full legal power and authority to assign in favour of the Lenders all of its right, title and interest to and in each and every existing and after-acquired Material Contract together with all of the Material Contract Rights and the Monies with respect to all such existing and after-acquired Material Contracts, with all such after-acquired rights to have immediate effect (subject to the provisions of this Assignment) as and from when the Assignor enters into or otherwise obtains the benefit of or rights in the applicable Material Contract, Material Contract Rights or Monies, as the case may be;
- (d) the Material Contracts, the Material Contract Rights and the Monies in effect as at the date hereof are fully assignable and that no consent, permission or document giving effect thereto is required that has not been duly obtained in relation to any of the Material Contracts, Material Contract Rights and Monies purportedly assigned hereby;
- (e) the Material Contracts, the Material Contracts Rights and the Monies, to the extent that any of the same are effective as at the date hereof are currently in full force and effect and that there are no defaults or disputes now existing thereunder, and that the Material Contracts, the Material Contract Rights and the Monies as at the date hereof have not been amended nor have the Assignors (or any of them) acquiesced in or gained any knowledge of any deviation from the performance or observance of any term of condition of the Material Contracts and the Material Contract Rights in effect as at the date hereof, by or on behalf of any party to any Material Contract;
- (f) at such time as the Assignors (or any of them), if requested to do so by all or any one of more of the Lenders subsequent to the date hereof, enters into a Material Contract each of the Assignors will obtain or cause to be obtained an acknowledgement from the relevant parties to the Material Contract, acknowledging the terms and conditions of this Assignment as they relate to such Material Contract, Material Contract Rights and Monies pertaining thereto; and
- (g) it has full power authority and legal capacity to assign to the Lenders, all of its right, title and interest in and to the Material Contracts, the Material Contract Rights and Monies, in effect as at the date hereof, and to assign all of its right, title and interest in and to the after-acquired Material Contracts, the Material Contract Rights and Monies, which the Assignor may acquire subsequent to the date hereof.

3. ASSIGNMENT OF MATERIAL CONTRACTS

3.1. Assignment

As continuing collateral security for the prompt payment and performance of the Secured Obligations, the Assignors hereby, jointly and severally, grant, assign, transfer and set over to the Lenders and create in favour of the Lenders a security interest in all right, title and interest of each of them in and to the Material Contracts, the Material Contract Rights and the Monies which are in effect as at the date of this Assignment and in and to any after-acquired Material Contracts, Material Contract Rights and Monies acquired subsequent to the date of this Assignment (to the fullest extent that each of the Assignors is a party to any of the Material Contracts or benefits from or is entitled to any of the Material Contract Rights or the Monies) and all proceeds thereof and therefrom and accretions thereto, from time to time with full power and authority to enforce performance of any or all of the Material Contracts and the Material Contract Rights and to demand, sue for and collect damages in connection therewith at the option of the Lenders in the name of the Assignors, or any of them, or the Lenders, or any combination thereof.

At such time as the Assignors, subsequent to the date hereof, enter into a Material Contract, acquire any Material Contract Right or becomes entitled to any portion of the Monies or any other interest arising from or in respect of any of the foregoing, subject to the occurrence of an Event of Default and at the sole discretion of the Lenders, any or all of the same shall be automatically assigned to the Lenders pursuant to this Assignment without any further action or execution of any further documents on the part of the Assignors, the Lenders or any other Person.

3.2. Agreement for Security Purposes

This Assignment is granted as continuing collateral security for the Secured Obligations and shall not impair or diminish any obligation of the Assignors (or any of them), or of any other party or parties under the Material Contracts and the Material Contract Rights in effect as at the date hereof and in any Material Contracts, Material Contract Rights and Monies, of or acquired by the Assignors (or any of them) subsequent to the date hereof, to the Lenders under the Loan Documents to which each of the Assignors may be a party. No obligation or liability arising under any of the Material Contracts or Material Contract Rights in effect as at the date hereof or under any after-acquired Material Contracts or Material Contract Rights acquired by the Assignors (or any of them) subsequent to the date hereof shall be imposed upon or incurred by the Lenders by virtue of taking this Assignment. The Lenders shall not by virtue of taking this Assignment or receipt of any of the Monies pursuant hereto become or be deemed to be a mortgagee in-possession, or other secured party, in-possession, and the Lenders shall not be under any obligation to take any action or exercise any remedy in collection or recovery of any of the Monies hereunder or to see to or enforce the performance of the obligations (nor shall the Lenders be or become responsible for any of the liabilities) of any party or parties under or in respect of any of the Material Contracts, and Material Contract Rights in effect as of the date hereof and any after-acquired Material Contracts and Material Contract Rights acquired by the Assignors (or any of them) subsequent to the date hereof, and the Lenders shall be liable to account only for such of the Monies as shall actually be received by it, less proper collection charges.

3.3. Termination of Material Contracts

All rights of the Lenders to exercise the rights of an Assignor under any particular Material Contract or with respect to any Material Contract Rights arising thereunder shall cease only upon the earlier of:

- (a) the indefeasible satisfaction in full by any one or more of the Obligants of the Secured Obligations; or
- (b) the termination of a Material Contract (other than by reason of any default, violation or non-compliance therewith by an Obligant or by any other party thereto if any Obligant has

an actionable right or remedy to enforce or a legal right to assert any claim for loss, breach or damages,

and upon such satisfaction or termination the rights and benefits of such Assignor assigned with respect to such Material Contract and its corresponding Material Contract Rights shall automatically be reassigned to such Assignor, as the case may be, provided that all rights and liabilities accruing to the Lenders under this Assignment arising from any breach of or default under any of the Material Contracts will survive the termination or purported termination of any such Material Contract.

3.4. Consents; Restricted Contracts

This Assignment shall become immediately effective with respect to each individual Material Contract and applicable Material Contract Rights and Monies relating thereto when all consents necessary for the validity and effectiveness thereof have been obtained from the relevant party or parties to the relevant Material Contract, or assurance satisfactory to the Lenders that such consents will be forthcoming have been provided. Without in any way limiting the rights of the Lenders under this Section or otherwise hereunder, the Lenders reserve the right in their sole discretion to require that the Assignors upon notice to the Assignors in writing, promptly obtain such acknowledgements and consents from the relevant party or parties to any Material Contract as the Lenders may require in their sole discretion, including with respect to the Material Contract Rights thereto and Monies therefrom, or alternatively the Lenders may require delivery to them by the Assignors of such other assurances satisfactory to the Lenders that such any or all such acknowledgments and consents will be promptly forthcoming.

Notwithstanding any other provisions of this Assignment, to the extent that the assignment and the creation of the security interest pursuant to this Assignment would result in the termination of any Material Contract (each, a "Restricted Contract"), such assignment shall not be effective in respect of such Restricted Contract, but each of the Assignors shall, as applicable, hold its interest in such Restricted Contract, the proceeds thereof and the benefit derived therefrom in trust for the Lenders, and shall assign such Restricted Contract, the proceeds thereof and the benefit derived therefrom to the Lenders or as it may direct immediately upon the necessary consent having been obtained.

4. THE MONIES AND THE RIGHTS OF THE LENDER

4.1. Payment of the Monies

Subject to the provisions of the Loan Documents, each of the Assignors shall have the right to receive all Monies which may be payable to it pursuant to the terms of the respective Material Contracts until an Event of Default has occurred as set out in Section 7.1. Subject to the foregoing, so long as the relevant Material Contract and any Material Contract Right remains in effect and upon the Lenders giving notice of this Assignment to the party obligated to pay the same, all of the Monies which otherwise would be payable to an Assignor or to which such Assignor may be entitled, as the case may be, pursuant to the terms of the relevant Material Contract, shall be remitted directly to the Lenders, which payments shall continue to be made to the Lenders until such time as the Lenders notify the party obligated to make such payments otherwise, or until the rights of the Lenders with respect to such Material Contract and the Material Contract Rights shall terminate pursuant to the express terms hereof. If all or any one or more of the Lenders shall require the Assignors (or any of them) to make payments of Monies to the Lenders under this Section 4.1, then, to the extent that any Person is obligated to make payments to an Assignor or to which an Assignor may be entitled to receive any payments under any of the Material Contracts the obligated party shall pay all such Monies to the Lenders pursuant to this Assignment and such party shall be relieved and released as to all liability to such Assignor arising under any of the Material Contracts and Material Contract Rights with respect to such amount of the Monies so paid. Any Monies received by all or any one or more of the Lenders pursuant to this Assignment shall be applied to the Secured Obligations as the Lenders in their sole discretion deems appropriate.

4.2. Authorization to Exercise the Material Contract Rights

Each of the Assignors for the duration of this Assignment hereby jointly and severally authorize the Lenders to exercise any and all of the Material Contract Rights upon the occurrence Event of Default. The authorization referred to in the immediately preceding sentence shall be coupled with an interest on the part of the Lenders and shall be irrevocable, provided that until the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders each of the Assignors shall have the right to exercise any and all of the Material Contract Rights.

5. COVENANTS, ACKNOWLEDGEMENTS AND CONSENTS

5.1. Covenants

Each of the Assignors, hereby covenants and agrees to and with the Lenders:

- (a) that it will not permit the early termination or suspension of, or any amendment to any of the Material Contracts without the prior written consent of the Lenders whether in whole or in part, and will not subordinate or encumber the Material Contract Rights or make any further assignment by way of security or otherwise or create any mortgage, charge, lien or security interest in any of the Material Contracts;
- (b) to observe and perform all the obligations imposed upon it, by the Material Contracts and the Material Contract Rights, to maintain the Material Contracts in good standing and not to do, permit to be done or omit to do anything that impairs or would impair the security or enforceability of the Material Contracts or the Material Contract Rights; to cause the Lands to be maintained and managed in accordance with sound business practices; and not to execute any other assignment of the interest of each of them in the Material Contracts or the Material Contract Rights;
- (c) that it will not, without the prior written consent of the Lenders, deviate from the performance of or default under any provision of any of the Material Contracts or give any consent, concession or waiver or exercise any option, permitted by such terms, or cancel or terminate any of the Material Contracts;
- (d) that at the request of the Lenders, it will execute and deliver all such further assurances and assignments as the Lenders will from time to time reasonably require and to cause prompt action, including legal proceedings for enforcement of any of the Material Contracts and the Material Contract Rights and all other remedies available to it, thereunder, to be commenced against any delinquent party as soon as reasonably necessary to protect the interests of it therein;
- (e) to at all times, observe and perform all of their respective obligations under the Material Contracts;
- (f) to promptly notify the Lenders in writing of any default by any party to any of the Material Contracts or any dispute which has been submitted for determination by arbitration and will set out details of such default or dispute in such notice;
- (g) if so requested by the Lenders, to enforce all remedies available to it to the extent provided for under the relevant Material Contracts;
- (h) that in the event of enforcement of the Loan Documents such Assignor's interests under the Material Contracts shall, if and to the extent required by the Lenders thereupon vest in and become the absolute property of the Lenders without any further act or assignment by any of them;

- (i) upon request by the Lenders at any time, to transmit to the Lenders copies of all notices, certificates, documents, statements and other communications which each are required or permitted to give or receive pursuant to the Material Contracts contemporaneously with the giving or receipt of same. Where such notices, certificates, documents, statements and communications are related to matters outside of the ordinary course of business of an Assignor, or of its dealings with the other parties to any of the Material Contracts, such Assignor will promptly provide copies thereof to the Lenders without any demand or request therefor from the Lenders;
- (j) from time to time do, execute and deliver or shall cause to be done, executed and delivered all such further acts, documents and things as the Lenders may reasonably require so as to:
 - (1) to maintain and preserve the lien and charge of this Assignment to carry out more effectively the purposes hereof;
 - (2) to perfect, publish notice of or protect the validity of this Assignment or any grant made or to be made by or pursuant to this Assignment; and
 - (3) to preserve the rights of the Lenders in this Assignment against the claims and interests of all third parties.

6. EFFECT OF ASSIGNMENT

- (a) None of the rights or remedies of the Lenders under the Loan Documents or pursuant to relevant legislation or common law shall be delayed or in any way prejudiced by this Assignment.
- (b) Notwithstanding any modifications of the terms of any of the Material Contracts the Loan Documents, or any extensions of time for payment thereunder or any release of part or parts of any property encumbered thereby, this Assignment shall continue in effect in accordance with its terms.

7. ENFORCEMENT

7.1. Until an Event of Default

Until the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders each of the Assignors will, except as provided by the Loan Documents or this Assignment, be entitled to receive all amounts payable pursuant to the relevant Material Contracts and to exercise its rights with respect thereto.

7.2. Vesting of Assignment Rights

After the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders, the Material Contracts, and all of the applicable Material Contract Rights and the Monies with respect thereto, shall fully vest in the Lenders and become fully exercisable by each of the Lenders, all at the option of the Lenders, but only to the extent that the Lenders may determine in their sole and absolute discretion.

7.3. Remedies

After the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders, the Lenders, any receiver and any receiver and manager appointed by the Lenders will have, in addition to any other remedy, all the remedies provided herein in respect of the Material Contracts.

7.4. Collection

After the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders, in addition to the rights hereby assigned to the Lenders, the Lenders may, but will not be obligated to, collect the Monies or any proceeds pursuant to the Material Contracts and the Material Contract Rights and secure the payment thereof without regard to the adequacy of the security.

7.5. Forbearance

If the Lenders elect to invoke any of its rights hereunder and if the Lenders thereafter, for any reason, relinquishes to the Assignors (or any of them) any such right, this Assignment will not be terminated but will remain in full force and effect until the Secured Obligations are paid in full, it being the intention of the parties that the Lenders will, after the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders, have all the rights granted hereunder.

7.6. Exercise of Remedies

No delay or omission on the part of the Lenders in the exercise of any remedy will operate as a waiver thereof. The remedies available to the Lenders pursuant to this Assignment will be in addition to, and exercisable in any combination with, any and all remedies available by operation of law or pursuant to the Loan Documents. The remedies will be cumulative and not alternative, may be pursued separately or jointly and successively or together against the Assignors (or any of them) and Material Contracts and the Material Contract Rights or any or all of them at the sole discretion of the Lenders and may be exercised as often as occasion therefor shall arise.

7.7. Application of Proceeds

The Lenders will be entitled to apply all Monies in such order as the Lenders may reasonably determine to reduce or pay the Secured Obligations and to pay any and all sums, monies, costs, charges and expenses incurred by the Lenders in the exercise of any of their rights pursuant to the Loan Documents. The receipt by all or any one or more of the Lenders of any amount pursuant to this Assignment after the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders and the exercise of any remedies provided by the Loan Documents will not cure a default or affect or prejudice the exercise of such remedies.

7.8. Limitation of Lenders' Obligations

The obligation of the Lenders with respect to amounts actually collected will be discharged by the application of such amounts for any of the purposes described in this Assignment. The Lenders will not be liable for uncollected amounts or for any claim for damages or set-off arising from the management by the Lenders of the Lands. The Lenders will not by reason of this Assignment or the exercise of any right granted herein be responsible for any act committed by any of the Assignors, or any breach or failure to perform by such Assignor with respect to any of the Material Contracts. Nothing contained herein will be deemed to have the effect of making any of the Lenders a mortgagee in possession of the Lands or any part thereof.

8. MISCELLANEOUS

8.1. Appointment as Attorney

For the purposes of this Assignment, each of the Assignors hereby constitutes and appoints a senior executive or manager of Lender A the true and lawful attorney of such Assignor irrevocably with full power of substitution to do, make and execute all such statements, assignments, documents, acts, matters or things with the right to use the name of such Assignor whenever and wherever it may be deemed necessary or expedient.

8.2. Indemnifications and Release

Except to the extent that all or any one or more of the Lenders enforces or elects to become bound by any of the Material Contracts, the Lenders shall not be obligated to exercise any of the Material Contract Rights or to perform or discharge any obligation, duty or liability arising under any of the Material Contracts whether or not an event of default has occurred under the Loan Documents. Each of the Assignors shall indemnify and hold harmless the Lenders of and from and against any and all liability, loss or damage which the Lenders may or might suffer or incur by reason of this Assignment or the exercise of its rights hereunder and which arises prior to such time as the Lenders exercises any of the Material Contract Rights under Section 4.2 hereof, and should the Lenders suffer or incur any such liability, loss or damage by reason of this Assignment or the exercise of its rights hereunder, the amount thereof, including reasonable costs, expenses and legal fees, shall be secured hereby and by the Loan Documents and each of the Assignors shall be obligated to reimburse the Lenders therefor forthwith after the occurrence of an Event of Default which has not been remedied or otherwise waived by the Lenders.

8.3. Severability

If any one or more of the provisions contained in the Assignment is invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained in this Assignment shall not in any way be affected or impaired thereby.

8.4. Amendments

No amendment, modification or waiver of any provisions of this Assignment or consent to any departure from any provision of this Assignment will in any event be effective unless it is in writing, refers to this Assignment and is signed by the Lenders, and each of the Assignors and then the amendment, modification, waiver or consent will be effective only in the specific instance and for the specific purpose for which it is given.

8.5. Cumulative Rights

No remedy herein or in the Loan Documents conferred upon or reserved to the Lenders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or thereunder or now or hereafter existing at law or in equity or by statute. For greater certainty but without limiting the generality of any other provision or statement contained herein as to the scope and nature of the Lenders' rights, it is understood and agreed by each of the Assignors that the Lenders may exercise any of their rights, benefits, remedies and powers arising hereunder, and any of the terms and conditions hereof, against all of the Assignors or against any one of the Assignors as from time to time each of the Lenders may elect in its sole and absolute discretion, without limiting the rights, benefits, remedies and powers of, or the enforceability of any of the terms or conditions of this Assignment by, the Lenders with respect to the Assignors, or any of them, at any other time(s).

No failure or delay on the part of all or any one or more of the Lenders in exercising any power or right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of such right or power preclude the exercise of any other right or power hereunder. No notice to or demand on the Assignors (or any of them) shall in any case entitle the Assignors (or any of them) to any other or further notice or demand in similar or other circumstances unless specifically provided for in this Assignment.

8.6. Governing Law and Interpretation

This Assignment shall be construed in accordance with and governed by the laws of the Province of British Columbia and of Canada applicable therein, and terms expressed in the plural include the singular, and vice versa, except where the context may otherwise require.

8.7. Notices Procedure

All notices, requests, demands or other communications required or permitted to be given under this assignment shall be given in writing by personal delivery or by facsimile or similar form of communication, addressed to such other party or delivered to such other party as follows:

If to an Assignor:

1205-8400 West Road
Richmond, BC V6X 0S7

Attention: Mo Yeung Ching
E-mail: michael@myiegroup.com

with a copy to:

Pryke Lambert Leathley Russell LLP
5811 Cooney Road, Unit 500
Richmond, BC V6X 3M1

Attention: Tom Russell
Email: trussell@pllr.com

If to Lender A:

c/o Fox Island Development Ltd.
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3

Attention: Gavin Wang
E-mail: www031@gmail.com and wwwvip@163.com

with a copy to:

Norton Rose Fulbright Canada LLP
Barristers and Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3

Attention: Matthew Choi
E-mail: matthew.choi@nortonrosefulbright.com

The parties hereto may by notice given in the manner provided herein change their address for notice under this Assignment.

All notices shall be deemed to have been received when delivered or, if sent by facsimile or similar form of communication on the day following sending of the notice provided such day is a business day for the recipient.

8.8. Not Substitute Security

This Assignment is in addition to and not in substitution for any other security or securities which the Lenders now or from time to time may hold or take from the Assignors (or any of them) or from any Person or Persons whomsoever with respect to the Secured Obligations.

8.9. Enurement

The provisions hereof shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

8.10. Joint and Several Obligations

Except where the context or plain meaning may otherwise require or as otherwise expressly provided, all warranties, representations, authorizations, acknowledgments, confirmations, covenants and agreements provided herein by the Assignors shall be construed as being given or made jointly and severally and all references to "Assignor" or Assignors", as the case may be, except where the context or plain meaning may otherwise require includes each or any of them separately.

8.11. Paramountcy

In the event of any inconsistency between the terms of this Assignment and the terms of the Loan Agreement with respect to any matter specifically dealt with herein and therein, the provisions of the Loan Agreement will govern, unless as a result thereof (i) the mortgages, charges and security interests created herein or (ii) any of the remedies available to the Lenders hereunder would be in any way diminished or invalidated, in which case the provisions of this Assignment will prevail.

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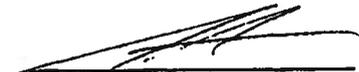
8.12. Counterpart

This Assignment may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Assignment. Delivery of an executed counterpart of this Assignment by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Assignment. Any party delivering an executed counterpart of this Assignment by telefacsimile or other electronic method of transmission also shall promptly deliver an original executed counterpart of this Assignment but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Assignment. Notwithstanding the date of execution, this Assignment shall be deemed to bear the day and year first above written.

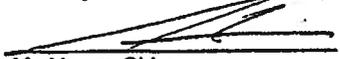
[Signature Page Follows]

IN WITNESS WHEREOF this Assignment has been executed as of the day and year first above written.

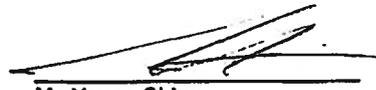
34083 YUKON INC., by its authorized signatory:


Mo Yeung Ching
also known as Michael Ching

KENSINGTON UNION BAY PROPERTIES LIMITED PARTNERSHIP, by its general partner, **KENSINGTON UNION BAY PROPERTIES GP LTD.** by its authorized signatory:


Mo Yeung Ching
also known as Michael Ching

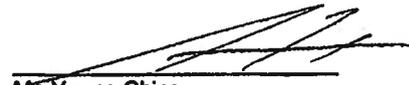
KENSINGTON UNION BAY PROPERTIES GP LTD. by its authorized signatory:


Mo Yeung Ching
also known as Michael Ching

INTERNATIONAL TRADE CENTER PROPERTIES LTD., by its authorized signatory:


Mo Yeung Ching
also known as Michael Ching

HOTEL VERSANTE LTD., by its authorized signatory:


Mo Yeung Ching
also known as Michael Ching

**SCHEDULE A
LANDS**

The lands having the following legal descriptions:

(ITC Property)

Parcel Identifier	Legal Description
030-795-851	Air Space Parcel 2 Section 21 Block 5 North Range 6 West New Westminster District Air Space Plan EPP73985
029-611-598	Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Plan EPP37734 Except Air Space Plan EPP73985
030-797-691	Strata Lot 1 Section 21 Block 5 North Range 6 West New Westminster District Strata Plan EPS5802

(UB Property)

Parcel Identifier	Legal Description
028-731-492	Lot 1 District Lot 154 Nanaimo District, Sections 31 and 32 Township 1 and District Lot 28 Nelson District Plan EPP15507 Except Plans EPP56910 and EPP95931
028-731-565	Lot 2 District Lot 28 Nelson District Plan EPP15507 ("UB Lot 2")
028-731-531	Lot 3 District Lot 154, Nanaimo District, Section 32 Township 1 and District Lot 28 Nelson District Plan EPP15507
028-731-549	Lot 4 Sections 31 and 32 Township 1 and District Lot 28 Nelson District Plan EPP15507 Except Plan EPP78068
028-330-633	Lot A District Lot 28, Nelson District Plan EPP9011

**SCHEDULE B
MATERIAL CONTRACTS**

1. all construction contracts, planning approvals, permits and licences, development agreements and contracts, project plans and specifications, architects, engineers and land surveyors' contracts,
2. any other contracts and agreements in effect from time to time, relating to the ITC Property and the Hotel, and including without limitation, the following:
 - (a) Hotel Management Agreement dated for reference May 22, 2014 among Hotel Versante Ltd., as Owner, Trilogy Hotel Management (Richmond) Ltd., as Manager, and Opus Hotel Corporation, as the Trademark Licensor;
 - (b) Construction Management Contract – For Services dated April 10, 2017 between International Trade Center Properties Ltd, as Owner, and Scott Construction Management Ltd., as Construction Manager;
 - (c) Trade-Mark License Agreement dated as of May 22, 2014 between Opus Hotel Corporation, as the Licensor and Hotel Versante Ltd., as Licensee; and
3. any and all plans and permits, warranties, licences and other material contracts, relating to any construction and development in respect of the UB Lot 2 Site Servicing Works and the other UB Property and such other contract with a general contractor to construct the site servicing works (the "UB Lot 2 Site Servicing Works"), which consists of the following:
 - (a) to construct site servicing works (including off-site improvements in the form of a new potable water supply station on UB Lot 4, and utilities and road in connection with to the UB Lot 2 Development from Highway 19A; and
 - (b) to contract to construct internal roadways.

This is **Exhibit "D"** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.



A Commissioner for taking Affidavits for
British Columbia

TRADE-MARK LICENSE AGREEMENT (OPUS)

THIS AGREEMENT made as of May 22, 2014 (the "Effective Date")

BETWEEN:

OPUS HOTEL CORPORATION, a British Columbia company with an office at
Suite 3902 Fairmont Pacific Rim
1011 West Cordova St.
Vancouver, B.C., V6C 0B2

(the "Licensor")

AND:

HOTEL VERSANTE LTD., a British Columbia company with an office at
4030-8171 Ackroyd Rd
Richmond, B.C., V6X 3K1

(the "Licensee")

WITNESSES THAT WHEREAS:

- A. The Licensor and the Licensee wish to enter into a license arrangement with respect to the use of the names and trade-marks set out in Schedule A hereto, and all variants, versions, designs and logos used in association with any and all of the same (collectively, the "Marks") for use in association with the operation of a hotel (the "Hotel") to be known as Opus Hotel Versante and to be located on a portion of the lands located at 8451 Bridgeport Road in Richmond, British Columbia and currently legally described as PID: 006-158-668 Lot 215, Except: Part on Plan LMP52694, Section 21 Block 5 North Range 6 West New Westminster District Plan 35992 (the "Hotel Premises"); and
- B. The Licensor and Licensee wish to enter into a license arrangement with respect to the Licensee's temporary use of the Marks in association with the marketing of the office and retail projects to be located on a portion of the balance of the lands located at 8451 Bridgeport Road in Richmond, British Columbia and currently legally described as PID: 006-158-668 Lot 215, Except: Part on Plan LMP52694, Section 21 Block 5 North Range 6 West New Westminster District Plan 35992 (the "Commercial Component").

NOW THEREFORE in consideration of the representations, warranties, covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Licensor and Licensee), the parties agree as follows:

ARTICLE 1 - GRANT OF TRADE-MARKS LICENSE

- 1.1 **Grant of License to Licensee.** The Licensor hereby grants to the Licensee, on the terms and conditions set out in this Agreement, a non-exclusive, non-transferable, license (the "License") to use the Marks in association with the operation of the Hotel at the Hotel Premises including the food and beverage operations thereof and all of the services listed in Schedule A as provided at the Hotel Premises (collectively, the "Services"). The License will continue for the term of the Hotel

Management Agreement dated May 21, 2014 between Trilogy Hotel Management (Richmond) Ltd. (the “Hotel Manager”) and the Licensee, a copy of which is attached hereto as Schedule B (the “Hotel Management Agreement”), and will terminate pursuant to Article 3 of this Agreement. The Licensee confirms that it will pay the Licensor the Trademark Licence Fee as defined in and in accordance with the terms of the Hotel Management Agreement, plus applicable taxes.

- 1.2 **Permitted and Prohibited Uses of License by Licensee.** The Licensee will use the Marks only while the License is in effect and only in association with the Services. The Licensee is required to operate and maintain the Hotel Premises and provide the Services to the standard of a first class boutique-style hotel in accordance with hotel industry standards with regard to hotels comparable to the Hotel in downtown Vancouver, British Columbia, having regard to the facilities of the Hotel. The Licensee may exceed such standards without the consent of the Licensor but shall not lower any such standards without the prior written consent of the Licensor. Except as authorized by the Licensor, the Licensee will not, directly or indirectly, use the Marks in any other way without the written consent of the Licensor which consent may be withheld without reason. The Licensee is required to place the symbol TM on the upper right shoulder of the OPUS and OPUS HOTEL trade-marks where either of such trade-marks are used in print advertising, promotional material or in any on-line internet or social media for the Hotel (collectively, any “Hotel Advertising”). Further, the Licensor reserves the right to require that a legend or footnote appear on any or all Hotel Advertising reading as follows (or as may be reasonably amended or supplemented by the Licensor from time to time):

TM denotes a trade-mark of Opus Hotel Corporation used under license.

- 1.3 **Grant of Temporary License For Commercial Component.** The Licensor hereby grants to the Licensee, on the terms and conditions set out in this Agreement, a non-exclusive, non-transferable, royalty free license (the “Temporary License”) to use the Marks in association with the marketing of the Commercial Component for sale for the sole purpose of noting the Hotel’s proximity to and integration with the Commercial Component (the “Commercial Component Marketing”). The Temporary License will commence on the later of the date of execution of this Agreement and the date of execution of the Hotel Management Agreement and will continue for the term of the Hotel Management Agreement.

- 1.4 **Permitted and Prohibited Uses of Temporary License by Licensee.** The Licensee will use the Marks in respect of the Commercial Component Marketing only during the term of the Temporary License set out in section 1.3 of this Agreement. The Licensee will not use the Marks in any disclosure statements, offering memorandums, purchase or sale agreements, leases or other contracts without the prior consent of the Licensor, such consent not to be unreasonably withheld. Except as authorized by the Licensor, the Licensee will not, directly or indirectly, use the Marks in any other way without the written consent of the Licensor which consent may be withheld without reason. The Licensee is required to place the symbol TM on the upper right shoulder of the OPUS and OPUS HOTEL trade-marks where either of such trade-marks are used in print advertising, promotional material or in any on-line internet or social media for the Commercial Component (collectively, any “Commercial Component Advertising”). Further, the Licensor reserves the right to require that a legend or footnote appear on any or all Commercial Component Advertising reading:

TM denotes a trade-mark of Opus Hotel Corporation used under license.

- 1.5 **Advertising.** The Licensee will, upon the Licensor’s request, deliver to the Licensor, within a reasonable time, samples of any Hotel Advertising or any Commercial Component Marketing or other material that bear or refer to any of the Marks, as may be prepared by or for the Licensee in connection with the Services.

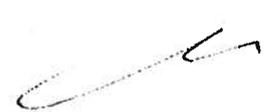
- 1.6 **Inspection and Approval.** The Licensee will provide the Licensor, upon 72 hours' prior written notice, with reasonable access to the Hotel and any other premises where the Licensee uses any of the Marks for the provision of any Services, or where any material bearing any of the Marks is stored, to ensure the Marks are being used as permitted hereunder.

ARTICLE 2 - INTELLECTUAL PROPERTY RIGHTS

- 2.1 **Preservation and Enhancement of the Licensor's Interest and Modifications of the Marks.** The Licensee acknowledges the validity of the Marks, and the Licensor's ownership thereof and the goodwill pertaining thereto, and agrees that the benefit of and goodwill associated with any use of the Marks by the Licensee enures entirely for the benefit of the Licensor. The Licensee agrees that, should any right, title or interest in or to any of the Marks or any part thereof or any copyright or trade-mark rights related thereto become vested in the Licensee, the Licensee will hold the same in trust for the Licensor and will, at the request of the Licensor, immediately and unconditionally assign any such right, title or interest to the Licensor. The Licensee agrees that all rights in and to any new variants, versions, designs or logos of the Marks, or other changes in or to any of the Marks created by the Licensee, with the Licensor's prior written consent or otherwise, will be and will remain the exclusive property of the Licensor, and the provisions of this Agreement will apply to the same. Further, by written agreement, the Parties may add, delete or change the trade-marks to be covered by the License, in which case, the provisions of this Agreement will apply to any and all revised definitions of the "Marks" hereunder. The Licensee will cooperate with the Licensor for the purpose of protecting and preserving the Marks and the Licensor's interest therein and in furtherance of such obligations, the Licensee will promptly execute and deliver to the Licensor all instruments that the Licensor, acting reasonably, determines are necessary or prudent from time to time. Except as expressly permitted under this Agreement, the Licensee will itself and will not assist, permit, or encourage any third party to challenge the validity of any of the Marks, any registrations for the Marks in Canada or elsewhere, or the Licensor's rights relating to the Marks or in any such registrations.
- 2.2 **Contractual Rights Only.** The Licensee acknowledges and agrees that the rights, License and Temporary License granted to the Licensee pursuant to this Agreement are of a contractual nature only, and no property or any other rights in or to the Marks are granted to the Licensee by virtue of this Agreement. The Licensee shall own all documents and materials the Licensee produces which bear the Marks.
- 2.3 **Representations, Warranties and Covenants of Licensor.** The Licensor represents and warrants to the Licensee that it is the registered and beneficial owner of the Marks, and has full right, title and authority to grant the License and the Temporary License on the terms and conditions set forth herein. The Licensor shall throughout the duration of this Agreement take all commercially reasonable steps, at its sole cost and expense, to protect and preserve the Marks and its ownership and other rights in respect thereof.

ARTICLE 3 - TERMINATION

- 3.1 **Termination for Conduct.** This Agreement, including the License and Temporary License, will terminate immediately upon written notice by the Licensor to the Licensee if the Licensee materially defaults in observing or performing any of its obligations under this Agreement and fails to correct such material default within fourteen (14) days after receiving a written demand from the Licensor to correct the same.



- 3.2 **Termination for Convenience.** This Agreement will also terminate upon termination of the Hotel Management Agreement.
- 3.3 **Rights and Obligations on Termination.** Upon termination or expiration of this Agreement for any reason, the Licensee will, subject only to section 3.4:
- (a) cease all use of the Marks; and
 - (b) as directed by the Licensor, either surrender to the Licensor or destroy all materials bearing or referring to the Marks;

and will not thereafter, directly or indirectly:
 - (c) challenge the validity of the Marks, any registrations for the Marks in Canada or elsewhere, or the Licensor's rights relating to the Marks or in any such registrations; or
 - (d) claim, use, or apply to register, record or file in any jurisdiction in Canada or elsewhere any corporate, trade, business or domain name that is comprised of, or confusingly similar to, the Marks or containing the word OPUS.
- 3.4 Upon the termination of this Agreement, the Licensee may use any and all items of operating supplies and expendables then on hand which bear any of the Marks. The Licensee shall not re-order any such items or expendables after the termination of this Agreement, and notwithstanding the foregoing, the Licensee shall not engage in any business or advertising practice which reasonably leads the public to believe that there is any relationship or affiliation with the Licensor or any of its Marks as of and from the effective date of the termination of this Agreement.

ARTICLE 4 – INDEMNIFICATION AND INSURANCE

- 4.1 **Indemnity for Liability.** The Licensee will indemnify, defend, and hold harmless the Licensor and its directors, officers, employees, and affiliates from and against any and all claims, demands, liabilities, causes of action, judgments, awards, liabilities, penalties, fines, assessments, impositions, damages, costs, and expenses, including, without limitation, reasonable attorneys' fees, costs of expert witnesses, court costs, and other expenses of litigation that maybe suffered or incurred by or claimed against any such indemnified party based upon or arising out of the Licensee's use of the Marks. Notwithstanding the foregoing, this provision shall not apply and the Licensee shall have no obligation to indemnify, defend or hold harmless any of the aforementioned parties in respect of any Claims related to trademark infringement, the validity of the Marks or the Licensor's ownership or other rights in respect thereof, or the use of the Marks by any other persons. The Licensor will give prompt written notice to the Licensee of the events giving rise to any claim of indemnity; provided, however, that the failure to give such notice will not waive any rights of the Licensor, except to the extent that the rights of the Licensee are actually prejudiced. Both parties will cooperate in the defence of any such matter and in addition may appear in any such matter through counsel of their own choice. The Licensee will pay any legal fees of the Licensor properly covered by the foregoing indemnity within thirty (30) days of delivery of invoices from the Licensor's legal counsel in respect of same.
- 4.2 **Insurance.** The Licensee shall or shall cause the Hotel Manager to carry the insurance in respect of the Hotel as described in the Hotel Management Agreement.



ARTICLE 5 - GENERAL

- 5.1 **Assignment and Sublicensing.** Except as expressly provided in this Section 5.1, the Licensee will have no right to transfer, sublicense, assign, encumber, pledge or otherwise dispose of this Agreement in whole or in part, or any of its right, title or interest herein without first obtaining the written consent of the Licensor, which consent may be withheld in the sole discretion of the Licensor. Regardless of whether consent is given on any particular occasion, consent must also be obtained for any subsequent occasion. The Licensee may assign this Agreement (and the License and Temporary License granted hereunder) in whole or in part without the consent of the Licensor (but with notice to the Licensor) to any purchaser or other successor or assignee of any part of the beneficial interest in the Hotel. The Licensor acknowledges and agrees that the Hotel Manager shall be entitled exercise all of the rights of the Licensee hereunder. The Licensor may assign its rights and duties hereunder, in whole or in part, upon written notice to the Licensee in the event of the sale or transfer by the Licensor of the Marks.
- 5.2 **No Warranty.** The Licensor is licensing the Marks to the Licensee on an "AS IS" basis and there are no express or implied warranties, conditions or representations provided by the Licensor whatsoever, including, without limitation, any warranty as to the right to use the Marks or their registrability in any jurisdiction. **THE LICENSEE HEREBY WAIVES AND RELEASES ANY RIGHT OR CLAIM IT MIGHT OTHERWISE HAVE AGAINST THE LICENSOR IN CONNECTION WITH THE MARKS EXCEPT FOR THOSE RELATING TO ITS EXPRESS RIGHTS UNDER THIS AGREEMENT.**
- 5.3 **Injunctive Relief Available.** The Licensee agrees that in the event of a breach by the Licensee of any provision of this Agreement, monetary damages may not be an adequate remedy and that in such circumstances the Licensor will be entitled to injunctive or other affirmative relief, or both, without such constituting an election of remedies or disentiing Licensor to each and every remedy available at law and/or in equity for a breach of this Agreement.
- 5.4 **Time of Essence.** Time is of the essence in this Agreement and no extension of time will constitute a waiver of this provision.
- 5.5 **Waiver.** If the Licensor waives a particular default, wrongful act or omission of the Licensee, such waiver will not affect or impair the rights of the Licensor in respect of any continuous, subsequent or other default, wrongful act, or omission of the Licensee. If the Licensor delays or fails to exercise any rights in connection with any default, wrongful act or omission of the Licensee, such delay or failure will not affect or impair the rights of the Licensor in respect of any continuance or subsequent occurrence of that event or any other default, wrongful act, or omission of the Licensee.
- 5.6 **Survival.** The provisions of Sections 3.3, 3.4, 5.2, and 5.6 and all other sections necessary for the interpretation or enforcement thereof (but only for such interpretation or enforcement purposes) will survive the termination of this Agreement.
- 5.7 **Notice.** Any notice, request, demand, direction or other document or communication required or permitted to be given under this Agreement must be in writing and will be sufficiently given if delivered or sent by hand, courier, or facsimile to such party as follows:

Notices to the Licensor will be addressed as follows:



Opus Hotel Corporation
Suite 3902 Fairmont Pacific Rim
1011 West Cordova St.
Vancouver, B.C., V6C 0B2

Fax No.: _____
Attention: President

Notices to the Licensee will be addressed as follows:

Hotel Versante Ltd.
4030-8171 Ackroyd Rd
Richmond, B.C., V6X 3K1

Fax No.: _____
Attention: President

Any notice, request, demand, direction or other document or communication given in accordance with this Section 5.7 will be deemed to have been given and received on the day of delivery if delivered by hand, courier or facsimile. Each party to this Agreement may change its address or facsimile number by giving notice to the other party to this Agreement in the manner provided in this section.

- 5.8 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions of the parties and there are no conditions, representations, warranties, covenants, agreements or other provisions, express or implied, collateral, statutory or otherwise, relating to such subject matter except as provided in this Agreement.
- 5.9 **Amendments and Binding Effect.** No amendment of this Agreement will be valid or binding unless set out in writing and executed by the Parties. This Agreement will be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns, as applicable.
- 5.10 **Severability.** If any provision of this Agreement is held invalid, illegal, or unenforceable for any reason by any court of competent jurisdiction, such provision will be severed and the remainder of the provisions hereof will continue in full force and effect as if this Agreement had been executed with the invalid, illegal, or unenforceable provision eliminated.
- 5.11 **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The parties hereby submit to the non-exclusive jurisdiction of the Courts of the Province of British Columbia and all legal proceedings arising out of or in connection with this Agreement may be brought before the Courts of the Province of British Columbia.
- 5.12 **Further Assurances.** The parties will, from time to time, promptly do such acts and execute and deliver to each other such further deeds, documents, instruments and assurances as may be necessary or required to give effect to the purpose and intent of this Agreement.
- 5.13 **Counterparts and Faxed Delivery.** This Agreement may be executed in one or more counterparts, all of which will constitute one and the same agreement. This Agreement may be delivered by

regular mail or by electronic transmission, including by email or by facsimile transmission, and if so delivered, this Agreement will be, for all purposes, effective as if the Parties had executed and delivered an originally signed copy of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the Effective Date.

OPUS HOTEL CORPORATION

By:



(Authorized Signatory)

HOTEL VERSANTE LTD.

By:



(Authorized Signatory)

SCHEDULE A**THE MARKS**

	Trademark	Status	Services
1.	OPUS	REGISTERED Application No.: 1,214,099 Filing Date: 2004/04/21 Registration No.: TMA824,829 Registration Date: 2012/05/25	The provision of hotel services; lodging and accommodation services; conference room services; exercise facility services; entertainment services, namely, live shows and piano playing; facsimile services, typing services; Internet and computer services, namely providing guests with access to the Internet and computers for their personal and business use.
2.	OPUS HOTEL	REGISTERED Application No.: 1,214,100 Filing Date: 2004/04/21 Registration No.: TMA824,830 Registration Date: 2012/05/25	The provision of hotel services; lodging and accommodation services; conference room services; exercise facility services; entertainment services, namely, live shows and piano playing; facsimile services, typing services; Internet and computer services, namely providing guests with access to the Internet and computers for their personal and business use.

SCHEDULE B
HOTEL MANAGEMENT AGREEMENT

This is **Exhibit " E "** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.



A Commissioner for taking Affidavits for
British Columbia

TRADEMARKS LICENSE AGREEMENT

This Agreement entered into and effective as of August 1, 2021 (the "**Effective Date**").

BETWEEN:

1036524 B.C. LTD., a company incorporated under the laws of British Columbia, having an address at 27/F, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia V7X1J2 Canada

("Licensor")

AND:

HOTEL VERSANTE LTD., a company incorporated under the laws of British Columbia, having an address at 8499 Bridgeport Road, Richmond, British Columbia, Canada.

("Licensee")

WHEREAS:

- A. Licensor is the owner of certain trademarks set out in Schedule "A" attached hereto (the "**Licensed Marks**").
- B. Licensee requires a license to use the Licensed Marks in connection with the Goods & Services (both as defined below), and Licensor agrees to grant a license in accordance with the terms herein.

NOW THEREFORE in consideration of the premises and other good and valuable consideration the sufficiency of which is hereby acknowledged, the parties have agreed as follows:

1. GRANT OF LICENSE

1.1 Licensor hereby grants to Licensee a non-exclusive license to use the Licensed Marks in Canada in association with the services for which the Licensed Marks have been registered or applied to be registered, as the case may be, and any other services with which the Licensed Marks have been used in commerce in Canada (the "**Goods & Services**"), provided however that this licensed use is limited only to use in connection with the hotel located at 8499 Bridgeport Road, Richmond, BC, currently operating as Versante Hotel.

1.2 In the event that Licensee wishes, during the term of this Agreement, to adopt a new or additional trademark, which also incorporates either the elements "VERSANTE" or "VERSANTE HOTEL" in combination with one or more other word elements (the "**Licensed Combination Mark**"), such as for example, "ABC VERSANTE HOTEL" or "VERSANTE ABC HOTEL", Licensor also hereby grants to Licensee a non-exclusive license to use the Licensed Combination Mark in Canada in association with the **Goods & Services**, provided

however that this licensed use is limited only to use in connection with the hotel located at 8499 Bridgeport Road, Richmond, BC, currently operating as Versante Hotel.

2. TERM AND TERMINATION

2.1 The term of this Agreement shall commence as of the Effective Date and shall continue for a period of 10 years from the Effective Date, unless terminated earlier in accordance with the terms hereof.

2.2 Licensor may at its option terminate this Agreement on sixty (60) days' prior written notice to Licensee upon:

- (a) Licensee's breach of any material provision of this Agreement if such breach is not remedied within thirty (30) days of Licensee's receipt of written notice thereof by Licensor; or
- (b) Licensee becoming insolvent, a petition in bankruptcy being filed against Licensee and not being discharged or disputed bona fide within thirty (30) days of such filing or if a receiving order is made against Licensee.

2.3 Licensee may at its option terminate this Agreement on thirty (30) days' prior written notice to Licensor.

2.4 Upon termination of this Agreement in accordance with its provisions, Licensee:

- (a) will no longer have the right or license to use the Licensed Marks or the Licensed Combination Mark;
- (b) shall discontinue all use of the Licensed Marks and the Licensed Combination Mark; and
- (c) must otherwise comply with the terms and conditions of this Agreement relating to expiry or termination which by their terms survive such termination or expiry.

3. OWNERSHIP & PROTECTION OF LICENSED MARKS

3.1 The Licensed Marks are the property of Licensor and all goodwill from the past and future use thereof by Licensee with respect to the Goods & Services shall enure exclusively to the benefit of Licensor.

3.2 Licensee shall use the Licensed Marks in such manner as to:

- (a) protect and preserve Licensor's rights in and to the Licensed Marks;
- (b) not impair the validity or depreciate the goodwill of the Licensed Marks; and
- (c) not impair the rights of the Licensor in the Licensed Marks.

3.3 Licensee shall not:

- (a) attack or challenge the validity of the Licensed Marks, any applications or registrations for the Licensed Marks in Canada or elsewhere, or the Licensor's rights relating to the Licensed Marks or in any such applications or registrations;
- (b) claim, use, or apply to register, record or file any trademark, copyright, or design that is identical with, confusingly similar to, clearly derived from or based on the Licensed Marks, provided however that Licensee shall be permitted to use the Licensed Combination Mark in accordance with section 1.2; or
- (c) abandon the Licensed Marks, except as expressly provided in this Agreement.

4. QUALITY CONTROL

4.1 Licensee shall use the Licensed Marks in association with the Goods & Services only as long as the Goods & Services are of a nature, character and quality as are from time to time established or approved by Licensor in its sole discretion.

4.2 Licensor shall have the right to be provided with an opportunity to review and inspect the Goods & Services upon seven days' advance notice to determine if the Goods & Services are of an adequate character and quality.

5. ASSIGNMENT

5.1 The Licensee shall not assign this Agreement, or any rights or obligations arising under this Agreement, without the prior written consent of the Licensor.

6. GENERAL

6.1 **Governing Law.** This Agreement shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

6.2 **Entire Agreement.** This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes all negotiations and prior discussions between the parties and their respective affiliates.

6.3 **Further assurances.** Each party shall at the request of the other party, execute and deliver such other documents and do such other reasonable acts as necessary to give effect to the intent of this Agreement.

6.4 **Independent contractors.** Each party is an independent contractor and nothing in this Agreement shall be deemed to create an agency, partnership or joint venture relationship. A party shall not have any right or authority to bind the other party to any obligation or responsibility, or to represent that it has such right or authority.

6.5 **Severability.** If any provision of this Agreement shall be found to be void, invalid, illegal or unenforceable by a court of competent jurisdiction, then this Agreement shall continue in full force and effect with respect to the remaining provisions and any such void, invalid, illegal or unenforceable provision shall be deemed severable and stricken.

6.6 **Waiver.** No provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing, signed by the party claimed to have waived or consented. A waiver or a consent shall not be construed as a waiver of, or consent to, any other breach of the same or other provision. Any delay in exercising a right shall not be construed as a waiver of any rights.

6.7 **Counterparts.** This Agreement may be executed in any number of counterparts each of which shall be deemed to constitute an original, and such counterparts may be delivered by electronic means capable of producing a printed copy, including for example facsimile and email of a pdf copy. This Agreement shall become effective when one of such counterparts has been signed by each of the parties hereto and delivered to the other party.

IN WITNESS WHEREOF the parties hereto entered into this Agreement by their duly authorized representatives.

1036524 B.C. LTD.,

HOTEL VERSANTE LTD.,

By: 

(Signature)

By: 

(Signature)

Name: _____
(Printed)

Name: _____
(Printed)

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE "A"**LICENSED MARKS**

For the purposes of the Agreement to which this Schedule is attached, "Licensed Marks" shall mean the following trademarks:

Canadian Trademark Application/Registration No.	Trademark
Appl. No. 2130000	VERSANTE HOTEL

This is **Exhibit "F"** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.



A Commissioner for taking Affidavits for
British Columbia

VERSANTE HOTEL — 2130000**Application number**

2130000

Registration number

TMA1192109

Type(s)

Standard Characters

Category

Trademark

CIPO Status

REGISTERED

TM5 statusLIVE/REGISTRATION/Issued
and Active

The trademark application has
been registered with the Office.

Filed

2021-08-27

Registered

2023-07-26

Registration Expiry Date

2033-07-26

Registrant

1036524 B.C. Ltd.
27/F, Three Bentall Centre
595 Burrard Street
Vancouver
BRITISH COLUMBIA V7X1J2

Agent

LAWRENCE WONG
(LAWRENCE WONG &
ASSOCIATES)
210-2695 Granville Street
Vancouver
BRITISH COLUMBIA V6H3H4

Address for Service

#210 - 2695 GRANVILLE
STREET

Disclaimer text

The right to the exclusive use of the word HOTEL is disclaimed apart
from the trademark.

Index headings

VERSANTE HOTEL

Services (Nice class & Statement)

43 (1) Hotel accommodation services, resort hotel services;
hotel, restaurant and catering services;

VANCOUVER
BRITISH COLUMBIA V6H3H4

Documents[View documents](#)**Action History**

Action	Action date	Due date	Comments
Filed	2021-08-27		
Created	2021-08-27		
Formalized	2021-08-27		
Pre-Assessment Letter Sent	2022-07-07		Goods or Services Not Acceptable
Search Recorded	2023-03-30		
Approved	2023-04-05		APPROVED BY PROGRAM EX200M1
Approval Notice Sent	2023-04-05		APPROVED BY PROGRAM EX200M1
Advertised	2023-05-03		Vol.70 Issue 3575
Registration Pending	2023-07-26		
Registered	2023-07-26	2033-07-26	

This is **Exhibit "G"** referred to in the 4th Affidavit of Wen Yong Wang, sworn before me at Vancouver, British Columbia, on this 20th day of February, 2026.



A Commissioner for taking Affidavits for
British Columbia



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
1036524 B.C. LTD.

Date and Time of Search: February 20, 2026 10:35 AM Pacific Time

Currency Date: November 25, 2025

ACTIVE

Incorporation Number: BC1036524

Name of Company: 1036524 B.C. LTD.

Business Number: 821861762 BC0001

Recognition Date and Time: Incorporated on May 14, 2015 11:17 AM Pacific Time

In Liquidation: No

Last Annual Report Filed: May 14, 2025

Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:

SUITE 2600
1090 WEST PENDER STREET
VANCOUVER BC V6E 0E3
CANADA

Delivery Address:

SUITE 2600
1090 WEST PENDER STREET
VANCOUVER BC V6E 0E3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

SUITE 2600
1090 WEST PENDER STREET
VANCOUVER BC V6E 0E3
CANADA

Delivery Address:

SUITE 2600
1090 WEST PENDER STREET
VANCOUVER BC V6E 0E3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

CHING, LINDA CHUNG LIN

Mailing Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Delivery Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

OFFICER INFORMATION AS AT May 14, 2025

Last Name, First Name, Middle Name:

CHING, MO YEUNG

Office(s) Held: (President)

Mailing Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Delivery Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Date and Time: February 20, 2026 07:36 AM Pacific Time



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Change of Directors

FORM 10
BUSINESS CORPORATIONS ACT
Section 127

Filed Date and Time: February 19, 2026 08:40 AM Pacific Time

Incorporation Number:

BC1036524

Name of Company:

1036524 B.C. LTD.

Date of Change of Directors

February 18, 2026

New Director(s)

Last Name, First Name, Middle Name:

CHING, LINDA CHUNG LIN

Mailing Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Delivery Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Director(s) who have ceased to be Directors

Last Name, First Name, Middle Name:

CHING, MO YEUNG

Mailing Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Delivery Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Director(s) as at February 18, 2026

Last Name, First Name, Middle Name:

CHING, LINDA CHUNG LIN

Mailing Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

Delivery Address:

1083 WEST 51ST AVENUE
VANCOUVER BC V6P 1C2
CANADA

No. S-240493
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

FOX ISLAND DEVELOPMENT LTD. and ADVANCED VENTURE HOLDING CO.,
LTD.

PETITIONERS

AND:

KENSINGTON UNION BAY PROPERTIES NOMINEE LTD. (FORMERLY KNOWN
AS 34083 YUKON INC.) KENSINGTON UNION BAY PROPERTIES LIMITED
PARTNERSHIP, KENSINGTON UNION BAY PROPERTIES GP LTD.,
INTERNATION TRADE CENTER PROPERTIES LTD., SUNWINS ENTERPRISE
LTD., MO YEUNG CHING ALSO KNOWN AS MICHAEL CHING, MO YEUNG
PROPERTIES LTD., SFT DIGITAL HOLDINGS 30 LTD., HOTEL VERSANTE LTD.,
BEEM CREDIT UNION, MORTEQ LENDING CORP., CHUN YU ;IU, 1307510 B.C.
LTD., JEFFREY RAUCH, HEUNG KEI SUNG, AND RCC HOLDINGS LTD.

RESPONDENTS

AFFIDAVIT

DLA Piper (Canada) LLP
Barristers & Solicitors
Suite 2700
1133 Melville Street
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444
Fax No. 604.687.1612

117708-00001