

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

MOTION RECORD

(Motion for an Order appointing a Receiver

Hearing Date: Tuesday, July 18, 2023 at 11:00 a.m., Via Video Conference)

June 29, 2023

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto ON M5H 4G2

Rachel Moses (LSO# 42081V)
rmoses@mindengross.com
Tel: 416-369-4115

Lawyers for the Plaintiff,
The Toronto-Dominion Bank

TO:
SERVICE LIST

SERVICE LIST

(re: Motion to appoint Receiver, returnable on July 18, 2023)

NO.	NAME	METHOD OF SERVICE
1.	IMAGES LIFE MEDIA INC. 115 Walnut Avenue Toronto ON M5V 2S1	DELIVERED PERSONALLY AND BY E-MAIL TO: joao.henriques@me.com joao@vybelife.com
2.	2531509 ONTARIO INC. 115 Walnut Avenue Toronto ON M5V 2S1	DELIVERED PERSONALLY AND BY E-MAIL TO: joao.henriques@me.com joao@vybelife.com
3.	JOAO PAUL HENRIQUES also known as JOHN PAUL HENRIQUES 115 Walnut Avenue Toronto ON M5V 2S1	DELIVERED PERSONALLY AND BY E-MAIL TO: joao.henriques@me.com joao@vybelife.com
4.	ALBERT GELMAN INC. 60 Shaftesbury Ave. Toronto, ON M4T 1A3 Bryan Gelman Tel: 416.504.1650 ext. 115 E-Mail: bgelman@albertgelman.com Proposed Receiver	BY E-MAIL TO: bgelman@albertgelman.com
5.	GARFINKLE BIDERMAN 1 Adelaide Street East, Suite 801 Toronto ON M5C 2V9 Wendy Greenspoon-Soer Tel: 416-869-7615 E-Mail: wgreenspoon@garfinkle.com Lawyers for the Receiver	BY E-MAIL TO: wgreenspoon@garfinkle.com

NO.	NAME	METHOD OF SERVICE
6. T	<p>HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO as represented by Ministry of Finance Legal Services Branch 77 Bay Street, 11th Floor Toronto ON M5G 2C8</p> <p>Attention: Anthony R. Golding Senior Counsel, Ministry of Finance Tel: (416) 938-5069 E-Mail: anthony.golding@ontario.ca</p>	<p>BY E-MAIL TO: anthony.golding@ontario.ca</p>
7.	<p>CANADA REVENUE AGENCY c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto ON M5X 1K6</p> <p>Attention: Diane Winters Tel: (416) 952-8563 E-Mail: diane.winters@justice.gc.ca</p>	<p>BY E-MAIL TO: diane.winters@justice.gc.ca</p>
8.	<p>INSOLVENCY UNIT Province of Ontario E-Mail: insolvency.unit@ontario.ca</p>	<p>BY E-MAIL TO: insolvency.unit@ontario.ca</p>
9.	<p>APPLE CANADA INC. 1290 Central Parkway West, Suite 1100 Mississauga ON L5C 4R3</p>	<p>BY COURIER</p>
10.	<p>OLYMPIA TRUST COMPANY P.O. Box 2581, STN Central Calgary AB T2P 1C8</p>	<p>BY E-MAIL TO: RRSPMortgageLegal@olympiatrust.com</p>
11.	<p>CITY OF TORONTO Legal Services Metro Hall, 26th Floor 55 John Street Toronto ON M5V 3C6</p> <p>Christopher J. Henderson Tel: 416-397-7106 Fax: 416-397-5624 Email: christopher.henderson@toronto.ca</p>	<p>BY E-MAIL TO: christopher.henderson@toronto.ca</p>

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Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

NOTICE OF MOTION

(Motion for an Order appointing a Receiver
Hearing Date: Tuesday, July 18, 2023 at 11:00 a.m., via Video Conference)

The Toronto-Dominion Bank (“TD”), will make a motion to a Judge presiding over the Commercial List on Tuesday, July 18, 2023 at 11:00 a.m., or as soon after that time as the motion can be heard by way of Zoom video conference.

PROPOSED METHOD OF HEARING: The Motion is to be heard (*choose appropriate option*)

In writing under subrule 37.12.1(1) because it is without notice;

In writing as an opposed motion under subrule 37.12.1(4);

In person;

By telephone conference;

[X] By video conference.

at the following location: 330 University Avenue, Toronto, Ontario.

THE MOTION IS FOR:

1. An Order:

- (a) appointing Albert Gelman Inc. as receiver without security over all of the assets, undertakings and property of the defendants, Images Life Media Inc. ("**Images**"), and 2531509 Ontario Inc. ("**253**") (collectively, the "**Debtors**") and all other property, assets, and undertakings related thereto pursuant to section 243 of the Bankruptcy and Insolvency Act ("**BIA**") and section 101 of the Courts of Justice Act; and
- (b) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

- 1. The Debtors are customers of TD and are indebted to TD as primary debtors and as guarantors.
- 2. Images' business is in videography, filmmaking, photography, editing and post-production services in relation to weddings and special events. Images' operates from 113-115 Walnut Avenue, Toronto (the "**Walnut Property**").
- 3. 253 is a holding company which owns the Walnut Property.

4. In or about February, 2023, the accounts of the Debtors were transferred to TD's Financial Restructuring Group based on, among other things, the following concerns: (i) the Debtors' accounts were regularly overdrawn, (ii) reduced account activity and lack of fluctuation in the accounts, (iii) failure to respond to TD's communications in a timely manner, (iv) failure to provide interim statements when requested by TD, and (v) concerns about whether Images was carrying on normal business operations.
5. In April, 2023, TD issued a non-tolerance and reservation of rights letter to the Debtors advising of various breaches under the credit agreement.
6. TD issued payment demands and section 244 notices of intention to enforce security under the BIA (the "**Section 244 Notice**") against the Debtors.
7. Payment demands and the Section 244 Notice have expired.
8. The indebtedness remains outstanding.
9. TD has provided the Debtors with more than sufficient time to repay the indebtedness. The Debtors have been unable to fulfil their contractual obligations to TD.
10. TD has lost confidence in the Debtors.
11. At this stage, TD wishes to take any and all steps necessary to enforce its security and realize on same.
12. TD considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

13. The appointment of a receiver is provided for in the security delivered to TD by the Debtors, including under a general security agreement and charge/mortgage.
14. TD proposes that Albert Gelman Inc. be appointed as receiver of the Debtors.
15. Albert Gelman Inc. has consented to act as receiver should the Court so appoint it.
16. The other grounds set out in the affidavit of Abner Pennings.
17. Section 243(1) of the *Bankruptcy and Insolvency Act*.
18. Section 101 of the *Courts of Justice Act*.
19. Rules 1.04, 1.05, 2.01, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.
20. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) Affidavit of Abner Pennings sworn June 28, 2023 and the Exhibits thereto;
- (b) Consent of the Receiver;
- (c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

Date: June 29, 2023

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

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Lawyers for the Plaintiff

TO: **SERVICE LIST**

#57807874132528 v1

B E T W E E N

THE TORONTO-DOMINION BANK
Plaintiff

-and-

IMAGES LIFE MEDIA INC., et al.
Defendants
Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

MINDEN GROSS LLP
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2200 - 145 King Street West
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Tel: 416-369-4115

Lawyers for the Plaintiff,
The Toronto-Dominion Bank

(File No. 4132528)

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

**AFFIDAVIT OF ABNER PENNINGS
(sworn June 28, 2023)**

I, ABNER PENNINGS, of the City of Barrie, in the Regional Municipality of Simcoe, **MAKE OATH AND SAY:**

1. I am an Account Manager, Commercial Credit with the Financial Restructuring Group of the Plaintiff, The Toronto-Dominion Bank ("**TD**"), with carriage of the TD accounts of the defendants, Images Life Media Inc. ("**Images**"), and 2531509 Ontario Inc. ("**253**"), (Images and 253 are collectively, the "**Debtors**"). As such, I have knowledge of the matters to which I hereinafter depose.

2. Where the information in this affidavit is based upon information and belief, I have indicated the source of my information and belief and do verily believe it to be true.

3. To the extent that any of the information set out in this affidavit is based on my review of TD's documents, I verily believe the information in such documents to be true.

Background

4. I am swearing this Affidavit in support of a motion by TD seeking to appoint Albert Gelman Inc. as receiver of the assets, undertakings and properties of the Debtors pursuant to section 243 of the Bankruptcy and Insolvency Act ("**BIA**") and section 101 of the Courts of Justice Act.

5. On April 20, 2022, TD issued to the Debtors a Notice of Intention to Enforce Security pursuant to section 244 of the BIA (the "**Section 244 Notice**"), together with payment demands.

6. Payment demands and the Section 244 Notice have expired and the indebtedness remains outstanding.

The Parties

7. Images is an Extra-Provincial Federal Corporation, with its registered head office address at 113-115 Walnut Avenue, Toronto, Ontario (the "**Walnut Property**"). Attached as **Exhibit "A"** is a copy of the Ontario Corporate Profile Report for Images dated April 6, 2022 together with the Federal Corporate Information Report.

8. The Ontario Corporate Profile Report indicates John Henriques also known as Joao Paul Henriques as the Chief Officer or Manager of Images. The Federal Corporate Information Report indicates Mr. Henriques as a director of Images.

9. Mr. Henriques is the founder of Images. Images' business is in videography, filmmaking, photography, editing and post-production services in relation to weddings and special events.

10. 253 is incorporated pursuant to the laws of Ontario with its registered head office address at the Walnut Property. Attached as **Exhibit "B"** is a copy of the Corporate Profile Report for 253 dated April 6, 2023.

11. The Corporate Profile Report indicates Mr. Henriques is an officer and director of 253. 253 is a holding company which owns the Walnut Property.

12. Mr. Henriques guaranteed the debts, liabilities and obligations of the Debtors to TD.

Credit Agreement and Security

13. Pursuant to a credit facilities letter agreement dated January 4, 2022, TD established:

- (a) a \$283,487.00 Committed Reducing Term Facility (Single-Draw) (the "**Term Facility**") in favour of Images;
- (b) a \$300,000.00 Demand Operating Facility (the "**Demand Facility**") in favour of Images;

- (c) a \$2,912,603.00 Committed Reducing Term Facility (Single-Draw) (the “**Mortgage Loan**”) in favour of 253;
- (d) a \$250,000.00 HASCAP Term Facility (the “**HASCAP Facility**”) in favour of Images; and
- (e) a \$50,000.00 Visa Business Facility (the “**Visa Facility**”).

A copy of the credit agreement, together with the Schedule A - Standard Terms and Conditions and TD Business Credit Card Agreement dated January 12, 2021 (collectively the “**Credit Agreement**”) are attached as **Exhibit “C”**. The Term Facility, the Demand Facility, the Mortgage Loan, the HASCAP Facility and the Visa Facility are collectively referred to as the “**Credit Facilities**”.

14. Pursuant to the “Repayment” section of the Credit Agreement, Images agreed to repay the Demand Facility on demand.

15. Pursuant to the “Reporting Covenants” section of the Credit Agreement, the Debtors agreed to provide the following to TD:

- a) Annual notice to reader financial statements for 253 within 120 calendar days of fiscal year end.
- b) Annual notice to reader financial statements for Images within 120 calendar days of fiscal year end.

- c) Delivery of a Personal Financial Statement and Privacy Agreement from Mr. Henriques and such supporting documentation as TD may reasonably request, and at minimum every 3 years.
- d) Provide confirmation to TD on an annual basis that property taxes are current, such confirmation to be in a format acceptable to TD.

16. The “Negative Covenants” section of the Credit Agreement provides:

“So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule “A”. In addition the Borrower will ensure that its subsidiaries and each of the Guarantors will:

Assigned Facilities	Description
------------------------	-------------

All)	No subsequent encumbrances shall be permitted without the prior written consent of the Bank.”
------	---

17. Section 6 “Standard Representations and Warranties” under the Credit Agreement, provides:

“g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are not outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate

capital taxes, payroll taxes and workers' compensation dues are currently paid and up to date.

- h) If the Bank Security includes a charge on real property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real property with good and marketable title in fee simple thereto, free from all easements, rights-of-way, agreements, restrictions, mortgages, liens, executions and other encumbrances, save and except for those approved by the Bank in writing."

18. Section 7 "Standard Positive Covenants" under the Credit Agreement provides:

"So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

- a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.

- g) Provide the Bank with information and financial data as it may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty in Section 6(i)."

19. Section 8 "Standard Negative Covenants" under the Credit Agreement provides:

"So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any set out in the Letter."

20. Pursuant to the "Events of Default" section of the Credit Agreement, the following events, among others, constitute an "Event of Default" entitling TD, in its sole discretion, to realize on all or any portion of any Security (as defined in the Credit Agreement):

- (a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due;

- (b) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable to being remedies, the default continues unremedied for 5 Business Days after the occurrence.

21. As security for the Credit Facilities, the Debtors granted TD a general security agreement signed by each of Images and 253 on December 24, 2020 (collectively the “**GSA**”), registration in respect of which was duly made pursuant to the Personal Property Security Act (Ontario) (the “**PPSA**”). Copies of the GSA granted by the Debtors in favour of TD, as primary debtors and as guarantors, are attached as **Exhibit “D”**.

22. Section 12, “Remedies” under the GSA, expressly entitles TD to appoint a receiver upon default of the Debtors.

23. As further security for the Credit Facilities, 253 granted a Charge/Mortgage to TD registered as Instrument No. AT5611674 on December 30, 2020, in the principal amount of \$3,250,000.00, payable on demand, in connection with the Walnut Property, including TD Standard Charge Terms 8520. In addition, a Notice of Assignment of Rents was registered against the Walnut Property as Instrument No. AT5611675. Copies of the Charge/Mortgage, TD Standard Charge Terms 8520 and the Notice of Assignment of Rents (collectively, the “**Mortgage Security**”) are attached as **Exhibit “E”**.

24. Pursuant to the “Appointment of Receiver” section of the Mortgage Security, upon default, TD is entitled to appoint a receiver.

25. In support of, and as further security for the Credit Facilities, the Debtors, as guarantors, each provided TD with an unlimited guarantee in connection with the debts of the other, dated December 24, 2020. Copies of the Debtors' guarantees are attached as **Exhibit "F"**.

26. Mr. Henriques provided TD with an unlimited guarantee made as of December 24, 2020 in connection with the debts, obligations and liabilities of the Debtors owing to TD. A copy of Mr. Henriques's guarantee is attached as **Exhibit "G"**.

Secured Creditors

27. Attached as **Exhibit "H"** is a copy of the certified PPSA search result for Images with currency to April 5, 2023. The PPSA search results for Images indicates a first registration against Images in favour of Apple Canada Inc. being reference file no. 753742134 with a collateral classification being "Equipment".

28. Attached as **Exhibit "I"** is a copy of the certified PPSA search result for 253 with currency to April 5, 2023. The PPSA search results for 253 indicates TD is the only registrant.

29. The parcel register for the Walnut Property, effective June 19, 2023, indicates TD as first mortgagee.

30. The parcel register also indicates a second charge/mortgage in favour of Olympia Trust Company in the amount of \$106,000.00, registered as Instrument No. AT6155996 on August 11, 2022 together with a Notice of Assignment of Rents registered as Instrument No. AT6155997.

31. A realty tax certificate for the Walnut Property, effective June 19, 2023, indicates outstanding taxes, with interest and fees for 2022 and January to June 2023 in

the total amount of \$15,390.77 owing by 253. Attached as **Exhibit “J”** are copies of the parcel register and realty tax certificate in connection with the Walnut Property.

TD’s Concerns and Transfer to Financial Recovery Group

32. The accounts of the Debtors were transferred to TD’s Financial Restructuring Group (“**FRG**”) in or about February, 2023.

33. Prior to my involvement, in transferring the accounts to FRG, TD’s main concerns, included:

- a) the Debtors’ accounts, primarily Images’, were regularly overdrawn since November 2022,
- b) the Debtors’ accounts had reduced account activity and lack of fluctuation in the accounts,
- c) Mr. Henriques on behalf of the Debtors failed to respond to communications from TD in a timely manner,
- d) the Debtors’ failure to provide interim statements to TD when requested, and
- e) whether Images’ was carrying on normal business operations, if at all.

34. Given these concerns, TD, as it is entitled to, designated the Debtors’ accounts as deposit only. The deposit only designation has not been removed and continues.

35. Between February, 2023 and April, 2023, I had some communications with Mr. Henriques about how the Debtors intended to address TD's concerns, including providing financial and other information requested by TD. By email sent on April 11, 2023, I followed up with Mr. Henriques requesting i) year to date financial statements, ii) information on priority payables (i.e., source deductions, harmonized sales tax and realty taxes), and iii) the link to the sale of the Walnut Property. Mr. Henriques replied on April 12, 2023 advising:

“Unfortunately viral infection spread and has worsened
Won't be able to make call today

Here's link to listing

https://www.realtor.ca/real-estate/25282275/115-walnut-ave-toronto-niagara?utm_source=mobilenativesharing&utm_medium=social-organic&utm_campaign=socialsharelisting&propertyIds=25282275

Still waiting for details from book keeper and will share once received.

More payments have started into bank account
More to come”

36. On April 13, 2023, TD issued a non-tolerance and reservation of rights letter (the “**Non-Tolerance and Reservation of Rights Letter**”) to the Debtors advising of various breaches under the Credit Agreement, including Payment Defaults (as defined therein), Realty Tax Default (as defined therein) and the Encumbrance Default (as defined therein). TD required the Debtors to remedy these defaults forthwith. In my cover email, I told Mr. Henriques that I would follow up with him on April 17, 2023. A copy of the Non-Tolerance and Reservation of Rights Letter together with my cover email and email thread for April 11 and 12, 2023 are attached as **Exhibit “K”**.

37. Subsequently, Mr. Henriques failed to respond to my follow up communications.

38. As a result, on April 20, 2023, TD's lawyers herein, Minden Gross LLP, issued demands and related Section 244 Notices on behalf of TD to the Debtors as both primary borrowers and as guarantors. Payment demands were also issued to Mr. Henriques. Attached as **Exhibit "L"** are copies of the payment demands with related Section 244 Notice.

39. Upon receiving the payment demands and Section 244 Notice, I received a phone call from Mr. Henriques in which we discussed the Non-Tolerance and Reservation of Rights Letter. During our call, Mr. Henriques offered some thoughts on repayment and indicated that he would provide me with a proposal during the week of April 24, 2023. I referred him to the 10 day period under the payment demands.

40. The payment demands expired on May 1, 2023. The Debtors did not provide a proposal to repay the indebtedness, other than the potential sale of the Walnut Property, as represented earlier by Mr. Henriques. As of the date of my Affidavit, the indebtedness remains outstanding.

41. I am advised by TD's lawyers, Rachel Moses, and believe that Mr. Henriques called her on May 1, 2023 and told her:

- He is "trying desperately to get caught up".
- He is hopeful the Walnut Property will sell and says that "they are getting close".

- There are no offers but Mr. Henriques believes there has been an “up-tick” in the number of showings and one person has come back three times.
- He needs time to repay the indebtedness and wants to know if he makes a good faith payment, can this buy him some time?
- He is trying to raise money from friends in the range of \$25,000 to \$50,000 and was hoping he could use receipts from account receivables to make a payment.
- He does not have a lawyer.

42. In response to the Debtors request for “more time” to repay the indebtedness owing to TD, I sent an email to Mr. Henriques on May 2, 2023 setting out key terms of a proposed forbearance agreement which would provide the Debtors with more than one month (i.e., until June 9, 2023) to repay the indebtedness. My email requested that Mr. Henriques confirm agreement to the terms set out therein by May 8, 2023.

43. By reply email on May 8, 2023, Mr. Henriques advised

“Hi Abner

Thanks for sending this. I am working on lining up the requirements for you as requested.

Please move forward with drafting the document for final review.

Thanks again for your help with getting this resolved.”

44. Copies of my email exchange with Mr. Henriques sent May 2, 8, 9 and 10, 2023 are attached as **Exhibit “M”**.

45. On May 12, 2023, the Debtors were provided with a copy of the proposed forbearance agreement with a sign back deadline of May 19, 2023. A copy of Ms.

Moses' email to Mr. Henriques with the forbearance agreement is attached as **Exhibit “N”**.

46. The sign back deadline expired and no response was received from the Debtors. As a result, TD agreed to unilaterally extend the sign back deadline to May 31, 2023. A copy of Ms. Moses' email to Mr. Henriques sent on May 24, 2023 is attached as **Exhibit “O”**.

47. The sign back deadline expired for a second time and no response was received from the Debtors. I am advised by Ms. Moses and believe that on June 1, 2023, she spoke with Mr. Henriques. I am further advised by Ms. Moses and believe that during their call, Mr. Henriques advised that he intended to retain a lawyer to review the forbearance agreement.

48. To accommodate the Debtors, TD agreed to a further extension of the sign back deadline – now expiring on June 16, 2023. In addition, TD also extended the forbearance period from June 9, 2023 to July 31, 2023. By email sent on June 5, 2023, Ms. Moses sent the revised forbearance agreement to Mr. Henriques and advised:

“Hello Mr. Henriques,

This will confirm our call from Thursday, June 1, 2023.

- In April 2020, after payment demands were made, you requested that the Bank not enforce its rights and remedies.
- The Bank agreed to a forbearance, and in this regard, sent you an email on May 2, 2023, setting out the key terms to any proposed forbearance agreement. During this time, the Bank recommended that you obtain legal counsel.

- By reply email sent on May 8, 2023, you advised the Bank that you are agreeable to a forbearance agreement with the key terms proposed on May 2, 2023.
- Based on your confirmation, you were provided with the forbearance agreement on May 12, 2023, with a sign back deadline of May 19, 2023.
- No further communication was received from you.
- On May 24, 2023, we sent a follow up email to you and the Bank extended the sign back deadline to May 31, 2023.
- No further communication was received from you and the sign back deadline expired.
- Yesterday, you advised that you have been unwell and recovering from pneumonia. You also advised that you wanted a lawyer to review the forbearance agreement and that you were in the process of retaining a lawyer. You mentioned that you had consulted with a friend who is a lawyer (not for this matter) and I asked that you have that lawyer contact me.
- You further advised that the property has received interest, but no firm offers.
- I communicated to you that the status quo could not continue and that the Bank has made accommodations and is prepared to provide a further accommodation by extending the sign back deadline to June 16, 2023 and the repayment date in the forbearance agreement to July 31, 2023. In total, this is a 5 week period to consider the terms, and if acceptable to you, to sign the forbearance agreement.
- We have attached a new forbearance agreement (clean copy for execution) and a redline of the changes.
- We again strongly recommend that you retain a lawyer and that this matter be treated with urgency. The date to repay the Bank is July 31, 2023 and payment demands have been outstanding since May 1, 2023. The status quo cannot continue, especially as realty taxes are not being paid.

If you wish to discuss this matter further, please do not hesitate to directly contact me or through your lawyer.”

49. A copy of Ms. Moses’ email to Mr. Henriques is attached as **Exhibit “P”**.

50. To date, communications with the Debtors have been irregular. The Debtors have not communicated with TD or Minden Gross since June 1, 2023. The Debtors have not signed the forbearance agreement despite the sign back deadline

extensions and extension of the forbearance period. No good faith payment has been made by the Debtors.

51. TD's demands expired more than 2 months ago.

52. The indebtedness owing by the Debtors to TD remains outstanding.

53. The defaults identified in the Non-Tolerance and Reservation of Rights Letter have not been remedied.

Appointment of Receiver

54. Section 12, "Remedies" under TD's GSA, expressly entitles TD to appoint a receiver upon default of the Debtors.

55. Pursuant to the Mortgage Security, TD is expressly entitled to appoint a receiver upon default of the Debtors.

56. TD has provided the Debtors with more than sufficient time to repay the indebtedness.

57. TD has lost confidence in the Debtors and Mr. Henriques as they have failed to comply with their contractual obligations under the Credit Agreement and security documents.

58. TD is entitled to take any and all steps necessary to enforce its security and realize on same.

59. TD considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

60. Albert Gelman Inc. has consented to act as receiver over the Debtors. A copy of the Consent is attached as **Exhibit "Q"**.

61. This affidavit is sworn in support of TD's motion for an Order to appoint Albert Gelman Inc. as receiver over the Debtors, and for no other or improper purpose.

SWORN by Abner Pennings of the City of Barrie, in the Regional Municipality of Simcoe, before me at the City of Toronto, in the Province of Ontario, on June 28, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)
Carol Liu / LSO# 84938G



ABNER PENNINGS

B E T W E E N

THE TORONTO-DOMINION BANK
Plaintiff

-and-

IMAGES LIFE MEDIA INC., et al.
Defendants
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF ABNER PENNING

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO#42081V)
rmoses@mindengross.com
Tel: 416-369-4115
Fax: 416-864-9223

Lawyers for the Plaintiff

(File No. 4132528)

This is Exhibit "A" referred to
in the Affidavit of Abner Pennings
Sworn this 28th
day of June, 2023.

CLiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



Ministry of Public and
Business Service Delivery

Profile Report

IMAGES LIFE MEDIA INC. as of April 06, 2023

Act	Corporations Information Act
Type	Extra-Provincial Federal Corporation with Share
Name	IMAGES LIFE MEDIA INC.
Ontario Corporation Number (OCN)	3063818
Governing Jurisdiction	Canada - Federal
Incorporation/Amalgamation Date	August 24, 2011
Registered or Head Office Address	115 Walnut Ave, Toronto, Ontario, Canada, M5V 2S1
Status	Refer to Governing Jurisdiction
Date Commenced in Ontario	August 24, 2011
Principal Place of Business	115 Walnut Ave, Toronto, Ontario, Canada, M5V 2S1

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

V. Quintanilla W.

Director/Registrar

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Chief Officer or Manager

Name

JOHN HENRIQUES

Address for Service

822 Richmond Street West, 203, Toronto, Ontario, Canada,
M6J 1C9

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

V. Quintanilla W.

Director/Registrar

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Corporate Name History

Refer to Governing Jurisdiction

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V. Quintanilla W.

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Active Business Names

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

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

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: JOHN HENRIQUES - DIRECTOR	June 10, 2021
CIA - Initial Return PAF: JOHN HENRIQUES - DIRECTOR	September 01, 2011

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

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

V. Quintanilla W.

Director/Registrar


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[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)

→ [Search for a Federal Corporation](#)

Federal Corporation Information - 795486-7

 Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

Note

This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

[Order copies of corporate documents](#)

[Order a Corporate Profile](#) [[View PDF Sample](#)]
[[View HTML Sample](#)].

Corporation Number	795486-7
Business Number (BN)	803338714RC0001
Corporate Name	Images Life Media Inc.
Status	Active
Governing Legislation	<i>Canada Business Corporations Act - 2011-08-24</i>

Registered Office Address

115 Walnut Avenue
Toronto ON M5V 2S1
Canada

i Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1

Maximum 7

John Henriques
115 Walnut Avenue
Toronto ON M5V 2S1
Canada

i Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)	08-24
Date of Last Annual Meeting	2022-08-25
Annual Filing Period (MM-DD)	08-24 to 10-23
Type of Corporation	Non-distributing corporation with 50 or fewer shareholders
Status of Annual Filings	2023 - Not due 2022 - Filed 2021 - Filed

Corporate History

Corporate Name History

2011-08-24 to Present	Images Life Media Inc.
-----------------------	------------------------

Certificates and Filings

Certificate of Incorporation	2011-08-24
-------------------------------------	------------

Order copies of corporate documents

Start New Search

[Return to Search Results](#)

Date Modified:

2023-02-10

This is Exhibit "B" referred to
in the Affidavit of Abner Pennings
Sworn this 28th
day of June, 2023.

Chiu

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A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



Ministry of Public and
Business Service Delivery

Profile Report

2531509 ONTARIO INC. as of April 06, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2531509 ONTARIO INC.
Ontario Corporation Number (OCN)	2531509
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	August 10, 2016
Registered or Head Office Address	115 Walnut Avenue, Toronto, Ontario, Canada, M5V 2S1

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

V. Quintanilla W.

Director/Registrar

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Active Director(s)

Minimum Number of Directors 2
Maximum Number of Directors 10

Name HAILEY HENRIQUES
Address for Service 115 Walnut Avenue, Toronto, Ontario, Canada, M5V 2S1
Resident Canadian No
Date Began August 09, 2022

Name JOAO PAUL HENRIQUES
Address for Service 115 Walnut Avenue, 3, Toronto, Ontario, Canada, M5V 2S1
Resident Canadian Yes
Date Began August 10, 2016

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

V. Quintanilla W.

Director/Registrar

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Active Officer(s)

Name JOAO PAUL HENRIQUES
Position President
Address for Service 115 Walnut Avenue, 3, Toronto, Ontario, Canada, M5V 2S1
Date Began August 10, 2016

Name JOAO PAUL HENRIQUES
Position Secretary
Address for Service 115 Walnut Avenue, 3, Toronto, Ontario, Canada, M5V 2S1
Date Began August 10, 2016

Name JOAO PAUL HENRIQUES
Position Treasurer
Address for Service 115 Walnut Avenue, 3, Toronto, Ontario, Canada, M5V 2S1
Date Began August 10, 2016

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

V. Quintanilla W.

Director/Registrar

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Corporate Name History**Name**

2531509 ONTARIO INC.

Effective Date

August 10, 2016

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

V. Quintanilla W.

Director/Registrar

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Active Business Names

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

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

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Joao Paul HENRIQUES	August 10, 2022
Annual Return - 2019 PAF: HENRIQUES JOAO PAUL - DIRECTOR	July 05, 2020
CIA - Notice of Change PAF: NICK DIMITROPOULOS - OTHER	October 07, 2019
Annual Return - 2018 PAF: HENRIQUES JOAO PAUL - DIRECTOR	June 02, 2019
Annual Return - 2017 PAF: HENRIQUES JOAO PAUL - DIRECTOR	June 02, 2019
CIA - Notice of Change PAF: JOAO HENRIQUES - DIRECTOR	March 26, 2019
BCA - Articles of Incorporation	August 10, 2016

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

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

V. Quintanilla W.

Director/Registrar

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This is Exhibit "C" referred to
in the Affidavit of Abner Pennings
Sworn this 28th
day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



Midtown
2 St Clair Ave E Suite 500
Toronto, ON
M4T 2T5
Telephone No.: (416) 983 9898
Fax No.: (416) 961 3124

January 04, 2022

IMAGES LIFE MEDIA INC.

Attention: JOHN HENRIQUES

Dear Mr. Henriques,

We are pleased to offer the Borrower the following credit facilities (the "Facilities"), subject to the following terms and conditions.

BORROWER

IMAGES LIFE MEDIA INC. ("Borrower "A")

2531509 ONTARIO INC. ("Borrower "B")

Collectively refer to as "the Borrower"

LENDER

The Toronto-Dominion Bank (the "Bank"), through its Midtown branch, in Toronto, ON.

CREDIT LIMIT

- 1A) CAD\$283,487 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".
- 2A) CAD\$300,000
- 3B) CAD\$2,912,603 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".
- 4A) CAD\$250,000 as reduced pursuant to the section headed "Repayment and Reduction of Amount of Credit Facility".

TYPE OF CREDIT AND BORROWING OPTIONS

- 1A) **Committed Reducing Term Facility (Single Draw)** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- 2A) **Operating Loan** available at the Borrower's option by way of:
- Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- 3B) **Committed Reducing Term Facility (Single Draw)** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CAD\$ ("Prime Based Loans")
- 4A) **HASCAP Term Loan** available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$

PURPOSE

- 1A) For re-investment capital
- 2A) To finance working capital requirements
- 3B) To re-finance the owner-occupied property on 115 Walnut Ave, Toronto, ON.
- 4A) BDC HASCAP Term Loan to finance day to day business operating costs.

TENOR

- 1A,3B,4A) Committed
- 2A) Uncommitted

CONTRACTUAL TERM

- 1A) 60 months from the date of first drawdown
- 2A) No term
- 3B) 60 months from the date of first drawdown
- 4A) The Contractual Term Maturity Date shall be 120 months from the date of drawdown

RATE TERM (FIXED RATE TERM LOAN)

- 1A 3B) Fixed rate: 6 month, 12-60 months but never to exceed the Contractual Term Maturity Date

4A) The Rate Term Maturity Date Shall be 10 years from the date of drawdown.

AMORTIZATION

- 1A) 60 months
- 3B) 300 months
- 4A) 120 months

INTEREST RATES AND FEES

Advances shall bear interest and fees as follows:

1A, 3B) **Committed Reducing Term Facility:**

- Fixed Rate Term Loans: % per annum or as determined by the Bank, in its sole discretion, for the Rate Term selected by the Borrower, and as set out in the Rate and Payment Terms Notice applicable to that Fixed Rate Term Loan.
-
- Floating Rate Term Loans available by way of:
 - Prime Based Loans: Prime Rate + 0.750% per annum

2A) **Operating Loan:**

- Prime Based Loans: Prime Rate + 0.750% per annum

4A) **Committed Reducing Term Facility:**

- Fixed Rate Term Loans: 4.00% per annum
- No fees described hereunder shall apply to this facility at any time

For all Facilities, interest payments will be made in accordance with Schedule "A" attached hereto unless otherwise stated in this Letter or in the Rate and Payment Terms Notice applicable for a particular drawdown. Information on interest rate and fee definitions, interest rate calculations and payment is set out in the Schedule "A" attached hereto.

ADMINISTRATION FEE

CAD\$75 per month.

RENEWAL FEE

CAD\$1,500 per annum.

EXCESS MONITORING FEE

The Borrower may, at the Bank's discretion, be charged an Excess Monitoring Fee of \$250.00, payable in the currency of the Facility, each time that the Credit Limit of a Facility is exceeded. Any extension of credit above the Credit Limit will be at the Bank's sole and absolute discretion.

DRAWDOWN

Assigned Facilities	Description
1A)	Fully drawn for \$347,127 on December 30, 2020.
2A)	On a revolving basis.
3B)	Fully drawn for \$3,000,000 on December 30, 2020.
4A)	One-time drawdown to occur upon acceptance of this agreement by the Borrower and satisfaction of the disbursement conditions. Drawdown must occur within 30 days of acceptance of this Agreement by the Borrower. If drawdown is not completed within 30 days, the amount not drawn is cancelled. Amounts repaid may not be redrawn.

Each drawdown under 1A, 3B, and 4A will be a "tranche" and each tranche will bear its own interest rate and repayment terms as set out in the Rate and Payment Terms Notice delivered by the Bank to the Borrower in respect of that drawdown.

Notice periods, minimum amounts of draws, interest periods and contract maturity for LIBOR Loans, terms for Banker's Acceptances and other similar details are set out in the Schedule "A" attached hereto.

BUSINESS CREDIT SERVICE

The Borrower will have access to the Operating Loan (Facility 2A) via Loan Account Number 1956-(A) 9255662-1968 (B)9356994-1968 (the "Loan Account") up to the Credit Limit of the Operating Loan by withdrawing funds from the Borrower's Current Account Number 1284-5255662 (the "Current Account"). The Borrower agrees that each advance from the Loan Account will be in an amount equal to \$5,000 (the "Transfer Amount") or a multiple thereof. If the Transfer Amount is NIL, the Borrower agrees that an advance from the Borrower's Loan Account may be in an amount sufficient to cover the debits made to the Current Account.

The Borrower agrees that:

- a) all other overdraft privileges which have governed the Borrower's Current Account are hereby cancelled.
- b) all outstanding overdraft amounts under any such other agreements are now included in indebtedness under this Agreement.

The Bank may, but is not required to, automatically advance the Transfer Amount or a multiple thereof or any other amount from the Loan Account to the Current Account in order to cover the debits made to the Current Account if the amount in the Current Account is insufficient to cover the debits. The Bank may, but is not required to, automatically and without notice apply the funds in the Current Account in amounts equal to the Transfer Amount or any multiple thereof or any other amount to repay the outstanding amount in the Loan Account.

REPAYMENT AND REDUCTION OF AMOUNT OF CREDIT FACILITY

Assigned Facilities	Description
1A, 3B)	All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The drawdown will be repaid in equal monthly payments. The details of repayment and interest rate applicable to such drawdown will be set out in the "Rate and Payment Terms Notice" applicable to that drawdown. Any amounts repaid may not be reborrowed.
2A)	On demand. If the Bank demands repayment, the Borrower will pay to the Bank all amounts outstanding under the Operating Loan, including without limitation, the amount of all unmatured B/As and LIBOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.

- 4A) All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. For the first 12-months from the date of drawdown (the 'Moratorium'), the Borrower is required to pay interest only payments on a monthly basis. Following the Moratorium, the drawdown will be repaid in equal monthly blended payments of \$2,751.08. Any amounts repaid may not be reborrowed.

PREPAYMENT

Assigned Facilities

Description

- 1A, 3B) The Borrower may select the 10% Prepayment Option and accordingly, Fixed Rate Term Loans under this Facility may be prepaid in accordance with Section 4a) and 4b) of Schedule A.
- 4A) The Borrower may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under a Fixed Rate Term Loan upon payment of all interest accrued to the date of prepayment and an amount equal to the Interest Rate Differential, being the amount by which:
- a. the total amount of interest on the amount of the prepayment using the interest rate applicable to this facility the Fixed Rate Term Loan being prepaid calculated for the period of time from the prepayment date until the Rate Term Maturity Date for the Fixed Rate Term Loan being prepaid (the "Remaining Term"), exceeds
 - b. the total amount of interest on the amount of the prepayment using the interest rate applicable to a fixed rate term loan that the Bank would make to a borrower for a comparable facility on the prepayment date, calculated for the Remaining Term.

To be certain, Section 4 of Schedule "A" hereunder does not apply to this facility.

SECURITY

The following security shall be provided, shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower and the grantor of the security to the Bank including without limitation indebtedness and liability under guarantees, foreign exchange contracts, cash management products, and derivative contracts, shall be registered in first position, and shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank.

- a) General Security Agreement ("GSA") representing a First charge on all the Borrower A's present and after acquired personal property – **On Hand.**
- b) General Security Agreement ("GSA") representing a First charge on all the Borrower B's present and after acquired personal property – **On Hand.**
- c) Guarantee of Advances (Unlimited) executed by IMAGES LIFE MEDIA INC. (the "Guarantor") in favour of 2531509 Ontario Inc. – **On Hand.**
- d) Guarantee of Advances (Unlimited) executed by 2531509 ONTARIO INC. (the "Guarantor") in favour of IMAGES LIFE MEDIA INC. – **On Hand.**
- e) Assignment of Business Insurance in amount satisfactory to the Bank under Images Life Media Inc. – **On Hand.**

- f) Continuing Collateral Mortgage, representing a First charge, on real property located at 115 Walnut Ave, Toronto, Ontario in the principal amount of CAD \$3,000,000, beneficially owned by and registered in the name of 2531509 ONTARIO INC. – **On Hand.**
- g) General Assignment of Rents and Leases representing a First Charge under 2531509 Ontario Inc.- **On Hand.**
- h) Assignment of Fire Insurance with TD as Loss Payee in the amount satisfactory to the Bank under 2531509 Ontario Inc. – **On Hand.**
- i) Guarantee of Advances Unlimited executed by JOHN P HENRIQUES (the "Guarantor") in favour of Borrower A and Borrower B – **On Hand.**
- j) Government Guarantee - Risk Transference; Risk Transference in the amount of \$250,000 executed by BUSINESS DEVELOPMENT BANK OF CANADA in support of IMAGES LIFE MEDIA INC. - **To Be Obtained**

All persons and entities required to provide a guarantee shall be referred to in this Agreement individually as a "Surety" and/or "Guarantor" and collectively as the "Guarantors";

All of the above security and guarantees shall be referred to collectively in this Agreement as "Bank Security".

DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A" and the following additional drawdown conditions:

Delivery to the Bank of the following, all of which must be satisfactory to the Bank:

Assigned Facilities	Description
4A)	BDC HASCAP Guarantee Online ID Form Confirmation.
4A)	Calculation of the Borrower Group's maximum HASCAP loan exposure with TD.
4A)	HASCAP Eligible Borrower's Representations and Warranties.
4A)	Signed Letter Agreement and security and guarantees, each as required, to be on hand and in order.
4A)	Signed Waiver(s) from the Guarantor(s), as required.

REPRESENTATIONS AND WARRANTIES

All representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect. The Borrower makes the Standard Representations and Warranties set out in Schedule "A", and in addition, represents and warrants that:

Assigned Facilities	Description
4A)	In addition to the representations, warranties and covenants set out in the Agreement, the Borrower agrees to all the representations, warranties and covenants set out in the HASCAP Borrower's Representations and Warranties form.

POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Positive Covenants set out in Schedule "A" and in addition will:

Assigned Facilities	Description
All)	All day-to-day banking and bank accounts are to be held with the Bank.
All)	Permit the Bank to visit the Property as reasonably required by the Bank and at least once each year.
4A)	Provide, and consent to the Bank providing to, Business Development of Canada ("BDC") and the Government of Canada or its agents, all information and documents relating to the Borrower or its guarantors, confidential or otherwise, including, without limitation, credit information, financial statements (audited and unaudited), payment history, business plans, business history, business organization and copies of and other information relating to any of the credit facilities or other services or products provided by the Bank to the Borrower. The Borrower acknowledges and agrees that BDC and the Government of Canada or its agents may contact the Borrower to request, and the Borrower will provide, additional information and reporting as BDC and the Government of Canada or its agents deem reasonably necessary with respect to the HASCAP Term Loan.

NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule "A". In addition the Borrower will ensure that its subsidiaries and each of the Guarantors will :

Assigned Facilities	Description
All)	No subsequent encumbrances shall be permitted without the prior written consent of the Bank.
4A)	The Borrower fails to comply with any of the provisions of the HASCAP Eligible Borrower's Representations and Warranties provided by the Borrower to the Bank and the Business Development Bank of Canada ("BDC") (the "HASCAP Eligible Borrower's Representations and Warranties").
4A)	The Borrower makes a false or misleading representation or warranty to the Bank or BDC, including any representation or warranty made by the Borrower in the HASCAP Eligible Borrower's Representations and Warranties.

PERMITTED LIENS

Permitted Liens as referred to in Schedule "A" are:

Purchase Money Security Interests in equipment which Purchase Money Security Interests exist on the date of this Agreement ("Existing PMSIs") which are known to the Bank, provided that an Event of Default has not occurred, and all future Purchase Money Security Interests on equipment acquired to replace the equipment under Existing PMSIs, provided that the cost of such replacement equipment may not exceed the cost of the equipment subject to the Existing PMSI by more than 10%.

REPORTING COVENANTS

Assigned Facilities	Description
All)	Annual notice to reader financial statements for 2531509 Ontario Inc. within 120 calendar days of fiscal year end.
All)	Annual notice to reader financial statements for Images Life Media Inc. within 120 calendar days of fiscal year end.
All)	Delivery of a Personal Financial Statement and Privacy Agreement from John Henriques and such

supporting documentation as the Bank may reasonably request, and at minimum every 3 years.

- All) Provide confirmation to the Bank on an annual basis that property taxes are current, such confirmation to be in a format acceptable to the Bank.

The Borrower acknowledges that the financial reporting obligations contained herein, including the submission of the financial statements to the Bank on a timely basis, constitute a material condition precedent to the Bank providing the credit facilities contemplated herein. Should the Borrower fail to fulfill such obligations within the delays set forth herein and such default is not remedied within 10 days from the date of the Bank's written notice to the Borrower setting forth the nature of the default, then the Borrower shall be deemed to have committed an "Event of Default" as hereinafter defined.

Notwithstanding the foregoing, and without prejudice to and under strict reserve thereof, of any rights and recourses the Bank may have in the circumstances, the Bank shall nevertheless have the right to engage, at the Borrower's expense, an independent auditor to examine the Borrower's books, records and physical assets, and perform such tests and analysis and such other verifications as the Bank may, in its sole discretion, determine necessary to assess its loan risk and realizable value of the Security.

FINANCIAL COVENANTS

Maintain a Consolidated Debt Service Coverage ratio (DSC) of not less than 1.20x to be tested annually. The DSC is consolidated based on the full year financial statements of Images Life Media Inc. and 2531509 Ontario Inc. and is calculated as follows:

$(\text{EBITDA}^* - \text{Unfinanced Capital Expenditures}) / (\text{Principal} + \text{Interest})$

*EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization

EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the Standard Events of Default contained in Schedule "A" attached hereto and after any one of the following additional Events of Default:

Assigned Facilities	Description
4A)	The Borrower fails to comply with any of the provisions of the HASCAP Eligible Borrower's Representations and Warranties provided by the Borrower to the Bank and the Business Development Bank of Canada ("BDC") (the "HASCAP Eligible Borrower's Representations and Warranties").
4A)	The Borrower makes a false or misleading representation or warranty to the Bank or BDC, including any representation or warranty made by the Borrower in the HASCAP Eligible Borrower's Representations and Warranties.

ANCILLARY FACILITIES

As at the date of this Agreement, the following uncommitted ancillary products are made available. These products may be subject to other agreements.

- 1) TD Visa Business card (or cards) for an aggregate amount of \$50,000 under Borrower A.

AVAILABILITY OF OPERATING LOAN

The Operating Loan is uncommitted, made available at the Bank's discretion, and is not automatically available upon satisfaction of the terms and conditions, conditions precedent, or financial tests set out herein.

The occurrence of an Event of Default is not a precondition to the Bank's right to accelerate repayment and cancel the availability of the Operating Loan.

LANGUAGE PREFERENCE

This Agreement has been drawn up in the English language at the request of all parties. (Cet acte a été rédigé en langue anglaise à la demande de toutes les parties.)

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

We trust you will find these facilities helpful in meeting your ongoing financing requirements. We ask that if you wish to accept this offer of financing (which includes the Standard Terms and Conditions), please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before **January 31st, 2022**.

Yours truly,

THE TORONTO-DOMINION BANK



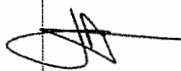
Isabelle (Ludovic) McLaren
Regional Ship Manager
Retail, Ship Manager Banking



Nazanin Hakkak
Senior Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

IMAGES LIFE MEDIA INC., and 2531509 ONTARIO INC. hereby accepts the foregoing offer this ⁶ day of JANUARY, 2022. The Borrower confirms that, except as may be set out above, the credit facility(ies) detailed herein shall not be used by or on behalf of any third party.



Signature

JOAO HENRIQUES

Print Name & Position

cc. Guarantor(s)

The Bank is providing the guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the guarantor(s) with notice of any changes to the credit facilities, including without limitation, changes to the terms and conditions, increases or decreases in the amount of the credit facilities, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the guarantor.

SCHEDULE A
STANDARD TERMS AND CONDITIONS

1. INTEREST RATE DEFINITIONS

Prime Rate means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

The Stamping Fee rate per annum for CDN\$ B/As is based on a 365 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance. The Stamping Fee rate per annum for US\$ B/As is based on a 360 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance.

CDOR means, for any day, the annual rate for B/As denominated in Canadian Dollars for a specified term that appears on the Reuters Screen CDOR Page as of 10:00 a.m. (Toronto time) on such day (or, if such day is not a Business Day, then on the immediately preceding Business Day).

LIBOR means the rate of interest per annum (based on a 360 day year) as determined by the Bank (rounded upwards, if necessary to the nearest whole multiple of 1/16th of 1%) at which the Bank may make available United States dollars which are obtained by the Bank in the Interbank Euro Currency Market, London, England at approximately 11:00 a.m. (Toronto time) on the second Business Day before the first day of, and in an amount similar to, and for the period similar to the interest period of, such advance.

USBR means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

Interest rates will never be less than zero. If Prime Rate, CDOR, LIBOR, USBR or any other applicable base rate changes, resulting in a variable or floating annual interest rate that is a negative number, the interest rate will be 0.00%.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

2. INTEREST CALCULATION AND PAYMENT

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice. Interest is charged on February 29 in a leap year.

The Stamping Fee is calculated based on the amount and the term of the B/A and is payable upon acceptance by the Bank of the B/A. The net proceeds received by the Borrower on a B/A advance will be equal to the Face Amount of the B/A discounted at the Bank's then prevailing B/A discount rate for CDN\$ B/As or US\$ B/As as the case may be, for the specified term of the B/A less the B/A Stamping Fee. If the B/A discount rate (or the rate used to determine the B/A discount rate) is less than zero, it shall instead be deemed to be zero for purposes of this Agreement.

Interest on LIBOR Loans and CDOR Loans is calculated and payable on the earlier of contract maturity or quarterly in arrears, for the number of days in the LIBOR or CDOR interest period, as applicable.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest on Fixed Rate Term Loans is compounded monthly and payable monthly in arrears unless otherwise provided in the Rate and Payment Terms Notice.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of principal.

For loans not secured by real property, all overdue amounts of principal and interest and all amounts outstanding in excess of the Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at the Bank's standard rate charged from time to time for overdrafts, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the Credit Limit.

If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to the Bank in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Bank of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by the Bank of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: first, by reducing the amount or rate of interest, and, thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Bank which would constitute interest for purposes of section 347 of the Criminal Code (Canada).

3. DRAWDOWN PROVISIONS

Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in this Agreement. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan or USBR Loan over \$1,000,000.

B/As

The Borrower shall advise the Bank of the requested term or maturity date for B/As issued hereunder. The Bank shall have the discretion to restrict the term or maturity dates of B/As. In no event shall the term of the B/A exceed the Contractual Term Maturity Date or Maturity Date, as applicable. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of B/As is \$1,000,000 and in multiples of \$100,000 thereafter. The Borrower shall provide the Bank with 3 Business Days' notice of a requested B/A drawdown.

The Borrower shall pay to the Bank the full amount of the B/A at the maturity date of the B/A.

The Borrower appoints the Bank as its attorney to and authorizes the Bank to (i) complete, sign, endorse, negotiate and deliver B/As on behalf of the Borrower in handwritten form, or by facsimile or mechanical signature or otherwise, (ii) accept such B/As, and (iii) purchase, discount, and/or negotiate B/As.

LIBOR and CDOR

The Borrower shall advise the Bank of the requested LIBOR or CDOR contract maturity or interest period. The Bank shall have the discretion to restrict the LIBOR or CDOR contract maturity. In no event shall the term of the LIBOR or CDOR contract exceed the Contractual Term Maturity Date or Maturity Date, as applicable. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of a LIBOR Loan or a CDOR Loan is \$1,000,000, and shall be in multiples of \$100,000 thereafter. The Borrower will provide the Bank with 3 Business Days' notice of a requested LIBOR Loan or CDOR Loan.

L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

B/A, LIBOR and CDOR - Conversion

Any portion of any B/A, LIBOR or CDOR Loan that is not repaid, rolled over or converted in accordance with the applicable notice requirements hereunder shall be converted by the Bank to a Prime Based Loan effective as of the maturity date of the B/A or the last day in the interest period of the LIBOR or CDOR contract, as applicable. The Bank may charge interest on the amount of the Prime Based Loan at the rate of 115% of the rate applicable to Prime Based Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to Prime Based Loans.

B/A, LIBOR and CDOR – Market Disruption

If the Bank determines, in its sole discretion, that a normal market in Canada for the purchase and sale of B/As or the making of CDOR or LIBOR Loans does not exist, any right of the Borrower to request a drawdown under the applicable borrowing option shall be suspended until the Bank advises otherwise. Any drawdown request for B/As, LIBOR or CDOR Loans, as applicable, during the suspension period shall be deemed to be a drawdown notice requesting a Prime Based Loan in an equivalent amount.

LIBOR Discontinuation

On the earliest of:

- (a) the date that the administrator of LIBOR has permanently or indefinitely ceased to make LIBOR available;
- (b) the governmental authority having jurisdiction over the administrator of LIBOR has made a public statement or publication of information announcing LIBOR is no longer representative; and
- (c) the Early Opt-in Effective Date,

the LIBOR Successor Rate will replace LIBOR for all purposes hereunder and under any other documents (other than any swap agreement, but including any other Bank Security) required in connection herewith, in respect of any interest period and contract maturity of such benchmark on such day and all subsequent interest periods and contract maturities without any amendment to, or further action or consent of any party to this Agreement. If the LIBOR Successor Rate is Daily Simple SOFR, all interest payments will be payable on a monthly basis unless otherwise agreed by the Bank. Notwithstanding anything else herein, any definition of the LIBOR Successor Rate (exclusive of any margin) shall provide that in no event shall such LIBOR Successor Rate be less than zero for the purposes of this Agreement.

The Bank does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to LIBOR or the LIBOR Successor Rate including without limitation, whether the composition or characteristics of the LIBOR Successor Rate, will be similar to, or produce the same value or economic equivalence of, LIBOR or have the same volume or liquidity as did LIBOR prior to its discontinuance or unavailability.

In connection with the implementation and administration of the LIBOR Successor Rate, the Bank will have the right to make LIBOR Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or in any Bank Security or other document provided in connection herewith, any amendments implementing such LIBOR Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

The Bank will promptly notify the Borrower of (i) the occurrence of an Early Opt-in Election, (ii) the implementation of the LIBOR Successor Rate and (iii) the effectiveness of any LIBOR Replacement Conforming Changes. Any determination, decision or election that may be made by the Bank pursuant to this Section, including any determination with respect to a interest period, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action,

will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section.

Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under the Operating Loan, Agriculture Operating Line or Farm Property Line of Credit to satisfy any obligations of the Borrower to the Bank in connection with any cash management service provided by the Bank to the Borrower. The Bank may drawdown under the Operating Loan, Agriculture Operating Line or Farm Property Line of Credit even if the drawdown results in amounts outstanding in excess of the Credit Limit.

Notice

Prior to each drawdown under a Fixed Rate Term Loan, other than a Long Term Farm Loan, an Agriculture Term Loan, a Canadian Agricultural Loans Act Loan, a Dairy Term Loan or a Poultry Term Loan and at least 10 days prior to the maturity of each Rate Term, the Borrower will advise the Bank of its selection of drawdown options from those made available by the Bank. The Bank will, after each drawdown, other than drawdowns by way of BA, CDOR, or LIBOR Loan or under the operating loan, send a Rate and Payment Terms Notice to the Borrower.

4. PREPAYMENT

Fixed Rate Term Loans

10% Prepayment Option Chosen.

- (a) Once, each calendar year, ("Year"), the Borrower may, provided that an Event of Default has not occurred, prepay in one lump sum, an amount of principal outstanding under a Fixed Rate Term Loan not exceeding 10% of the original amount of the Fixed Rate Term Loan, upon payment of all interest accrued to the date of prepayment without paying any prepayment charge. If the prepayment privilege is not used in one Year, it cannot be carried forward and used in a later Year.
- (b) Provided that an Event of Default has not occurred, the Borrower may prepay more than 10% of the original amount of a Fixed Rate Term Loan in any Year, upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - i) three months' interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and
 - b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of a Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term, when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

10% Prepayment Option Not Chosen.

- (c) The Borrower may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under a Fixed Rate Term Loan upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:

- i) three months' interest on the amount of the prepayment using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
- ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and
 - b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of the Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

Floating Rate Term Loans

The Borrower may prepay the whole or any part of the principal outstanding under a Floating Rate Term Loan, at any time without the payment of prepayment charges.

5. STANDARD DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdowns hereunder at any time is subject to the following conditions precedent:

- a) The Bank shall have received the following documents which shall be in form and substance satisfactory to the Bank:
 - i) A copy of a duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Agreement;
 - ii) A copy of any necessary government approvals authorizing the Borrower to enter into this Agreement;
 - iii) All of the Bank Security and supporting resolutions and solicitors' letter of opinion required hereunder;
 - iv) The Borrower's compliance certificate certifying compliance with all terms and conditions hereunder;
 - v) All operation of account documentation; and
 - vi) For drawdowns under the Facility by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement
- b) The representations and warranties contained in this Agreement are correct.
- c) No event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapse or both.
- d) The Bank has received the arrangement fee payable hereunder (if any) and the Borrower has paid all legal and other expenses incurred by the Bank in connection with the Agreement or the Bank Security.

6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

- a) The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.

- b) There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement.
- c) No Event of Default has occurred nor has any event occurred which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement or which would constitute a default under any other agreement.
- d) There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.
- e) All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
- f) The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with the International Financial Reporting Standards or GAAP for Private Enterprises.
- g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and workers' compensation dues are currently paid and up to date.
- h) If the Bank Security includes a charge on real property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real property with good and marketable title in fee simple thereto, free from all easements, rights-of-way, agreements, restrictions, mortgages, liens, executions and other encumbrances, save and except for those approved by the Bank in writing.
- i) All information that the Borrower has provided to the Bank is accurate and complete respecting, where applicable:
 - i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
 - ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
 - iii) the Borrower's ownership, control and structure.

7. STANDARD POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

- a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- b) Advise the Bank of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender.
- c) Advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Borrower or the occurrence of any Event of Default or default under this Agreement or under any other agreement for borrowed money.
- d) Do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect.
- e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.

- f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- g) Provide the Bank with information and financial data as it may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty in Section 6(i).
- h) Maintain property, plant and equipment in good repair and working condition.
- i) Inform the Bank of any actual or probable litigation and furnish the Bank with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Borrower.
- j) Provide such additional security and documentation as may be required from time to time by the Bank or its solicitors.
- k) Continue to carry on the business currently being carried on by the Borrower its subsidiaries and each of the Guarantors at the date hereof.
- l) Maintain adequate insurance on all of its assets, undertakings, and business risks.
- m) Permit the Bank or its authorized representatives full and reasonable access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom.
- n) Comply with all applicable laws.

8. STANDARD NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any, set out in the Letter.
- b) Create, incur, assume or suffer to exist any other indebtedness for borrowed money (except for indebtedness resulting from Permitted Liens, if any) or guarantee or act as surety or agree to indemnify the debts of any other Person.
- c) Merge or consolidate with any other Person, or acquire all or substantially all of the shares, assets or business of any other Person.
- d) Sell, lease, assign, transfer, convey or otherwise dispose of any of its now owned or hereafter acquired assets (including, without limitation, shares of stock and indebtedness of subsidiaries, receivables and leasehold interests), except for inventory disposed of in the ordinary course of business.
- e) Terminate or enter into a surrender of any lease of any property mortgaged under the Bank Security.
- f) Cease to carry on the business currently being carried on by each of the Borrower, its subsidiaries, and the Guarantors at the date hereof.
- g) Permit any change of ownership or change in the capital structure of the Borrower.

9. ENVIRONMENTAL

The Borrower represents and warrants (which representation and warranty shall continue throughout the term of this Agreement) that the business of the Borrower, its subsidiaries and each of the Guarantors is being operated in compliance with applicable laws and regulations respecting the discharge, omission, spill or disposal of any hazardous materials and that any and all enforcement actions in respect thereto have been clearly conveyed to the Bank.

The Borrower shall, at the request of the Bank from time to time, and at the Borrower's expense, obtain and provide to the Bank an environmental audit or inspection report of the property from auditors or inspectors acceptable to the Bank.

The Borrower hereby indemnifies the Bank, its officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from all loss, claims, damages and expenses (including legal and audit expenses) which may be suffered or incurred in connection with the indebtedness under this Agreement or in connection with the Bank Security.

10. STANDARD EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the following Events of Default:

- a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.
- b) If any representation, warranty or statement made hereunder or made in connection with the execution and delivery of this Agreement or the Bank Security is false or misleading at any time.
- c) If any representation or warranty made or information provided by the Guarantor to the Bank from time to time, including without limitation, under or in connection with the Personal Financial Statement and Privacy Agreement provided by the Guarantor, is false or misleading at any time.
- d) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable to being remedied, the default continues unremedied for 5 Business Days after the occurrence.
- e) If the Borrower, any one of its subsidiaries, or, if any of the Guarantors makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower, any of its subsidiaries, or any of the Guarantors or if the Borrower, any of its subsidiaries, or any of the Guarantors is insolvent or declared bankrupt.
- f) If there exists a voluntary or involuntary suspension of business of the Borrower, any of its subsidiaries, or any of the Guarantors.
- g) If action is taken by an encumbrancer against the Borrower, any of its subsidiaries, or any of the Guarantors to take possession of property or enforce proceedings against any assets.
- h) If any final judgment for the payment of monies is made against the Borrower, any of its subsidiaries, or any of the Guarantors and it is not discharged within 30 days from the imposition of such judgment.
- i) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute an event of default or a default under any other agreement for borrowed money in excess of the Cross Default Threshold entered into by the Borrower, any of its subsidiaries, or any of the Guarantors.
- j) If the Borrower, any one of its subsidiaries, or any of the Guarantors default under any other present or future agreement with the Bank or any of the Bank's subsidiaries, including without limitation, any other loan agreement, forward foreign exchange transactions, interest rate and currency and/or commodity swaps.
- k) If the Bank Security is not enforceable or if any party to the Bank Security shall dispute or deny any liability or any of its obligations under the Bank Security, or if any Guarantor terminates a guarantee in respect of future advances.
- l) If, in the Bank's determination, a material adverse change occurs in the financial condition, business operations or prospects of the Borrower, any of the Borrower's subsidiaries, or any of the Guarantors.
- m) If the Borrower or a Guarantor is an individual, the Borrower or such Guarantor dies or is found by a court to be incapable of managing his or her affairs.

11. ACCELERATION

If the Bank accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to the Bank all amounts outstanding hereunder, including without limitation, the amount of unmatured B/As, CDOR and LIBOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All cost to the Bank of unwinding CDOR and LIBOR Loans and all loss suffered by the Bank in re-employing amounts repaid will be paid by the Borrower.

The Bank may demand the payment of principal and interest under the Operating Loan, Agriculture Operating Line or Farm Property Line of Credit (and any other uncommitted facility) hereunder and cancel any undrawn portion of the Operating Loan, Agriculture Operating Line or Farm Property Line of Credit (and any other uncommitted facility) hereunder, at any time whether or not an Event of Default has occurred.

12. INDEMNITY

The Borrower agrees to indemnify the Bank from and against any and all claims, losses and liabilities arising or resulting from this Agreement. US\$ loans must be repaid with US\$ and CDN\$ loans must be repaid with CDN\$ and the Borrower shall indemnify the Bank for any loss suffered by the Bank if US\$ loans are repaid with CDN\$ or vice versa, whether such payment is made pursuant to an order of a court or otherwise. In no event will the Bank be liable to the Borrower for any direct, indirect or consequential damages arising in connection with this Agreement.

13. TAXATION ON PAYMENTS

All payments made by the Borrower to the Bank will be made free and clear of all present and future taxes (excluding the Bank's income taxes), withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by applicable law and are made, the Borrower, shall, as a separate and independent obligation, pay to the Bank all additional amounts as shall fully indemnify the Bank from any such taxes, withholdings or deductions.

14. REPRESENTATION

No representation or warranty or other statement made by the Bank concerning any of the Facilities shall be binding on the Bank unless made by it in writing as a specific amendment to this Agreement.

15. CHANGING THE AGREEMENT

- a) The Bank may, from time to time, unilaterally change the provisions of this Agreement where (i) the provisions of the Agreement relate to the Operating Loan, Agriculture Operating Line or Farm Property Line of Credit (and any other uncommitted facility) or (ii) such change is for the benefit of the Borrower, or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (iii) where such change makes compliance with this Agreement less onerous to the Borrower, including without limitation, release of security. These changes can be made by the Bank providing written notice to the Borrower of such changes in the form of a specific waiver or a document constituting an amending agreement. The Borrower is not required to execute such waiver or amending agreement, unless the Bank requests the Borrower to sign such waiver or amending agreement. A change in the Prime Rate and USBR is not an amendment to the terms of this Agreement that requires notification to be provided to the Borrower.
- b) Changes to the Agreement, other than as described in a) above, including changes to covenants and fees payable by the Borrower, are required to be agreed to by the Bank and the Borrower in writing, by the Bank and the Borrower each signing an amending agreement.
- c) The Bank is not required to notify a Guarantor of any change in the Agreement, including any increase in the Credit Limit.

16. ADDED COST

If the introduction of or any change in any present or future law, regulation, treaty, official or unofficial directive, or regulatory requirement, (whether or not having the force of law) or in the interpretation or application thereof, relates to:

- i) the imposition or exemption of taxation of payments due to the Bank or on reserves or deemed reserves in respect of the undrawn portion of any Facility or loan made available hereunder; or,

- ii) any reserve, special deposit, regulatory or similar requirement against assets, deposits, or loans or other acquisition of funds for loans by the Bank; or,
- iii) the amount of capital required or expected to be maintained by the Bank as a result of the existence of the advances or the commitment made hereunder;

and the result of such occurrence is, in the sole determination of the Bank, to increase the cost of the Bank or to reduce the income received or receivable by the Bank hereunder, the Borrower shall, on demand by the Bank, pay to the Bank that amount which the Bank estimates will compensate it for such additional cost or reduction in income and the Bank's estimate shall be conclusive, absent manifest error.

17. EXPENSES

The Borrower shall pay, within 5 Business Days following notification, all fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration and ongoing administration of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited, to all outside counsel fees and expenses and all in-house legal fees and expenses, if in-house counsel are used, and all outside professional advisory fees and expenses. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 25, the Bank or the Bank's agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including the registration fee in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Operating Loan, the Agriculture Operating Line or Farm Property Line of Credit.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

18. NON WAIVER

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

19. EVIDENCE OF INDEBTEDNESS

The Bank shall record on its records the amount of all loans made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement.

The Borrower will sign the Bank's standard form Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the true indebtedness secured by the chattel mortgage.

20. ENTIRE AGREEMENTS

This Agreement replaces any previous letter agreements dealing specifically with terms and conditions of the credit facilities described in the Letter. Agreements relating to other credit facilities made available by the Bank continue to apply for those other credit facilities. This Agreement, and if applicable, the Letter of Credit Indemnity Agreement, are the entire agreements relating to the Facilities described in this Agreement.

21. NON-MERGER

Notwithstanding the execution, delivery or registration of the Bank Security and notwithstanding any advances made pursuant thereto, this Agreement shall continue to be valid, binding and enforceable and shall not merge as a result thereof. Any default under this Agreement shall constitute concurrent default under the Bank Security. Any default under the Bank Security shall constitute concurrent default under this Agreement. In the event of an inconsistency between the terms of this Agreement and the terms of the Bank Security, the terms of this Agreement shall prevail and the inclusion of any term in the Bank Security that is not dealt with in this Agreement shall not be an inconsistency.

22. ASSIGNMENT

The Bank may assign or grant participation in all or part of this Agreement or in any loan made hereunder without notice to and without the Borrower's consent.

The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement.

23. RELEASE OF INFORMATION

The Borrower hereby irrevocably authorizes and directs the Borrower's accountant, (the "Accountant") to deliver all financial statements and other financial information concerning the Borrower to the Bank and agrees that the Bank and the Accountant may communicate directly with each other.

24. FX CLOSE OUT

The Borrower hereby acknowledges and agrees that in the event any of the following occur: (i) Default by the Borrower under any forward foreign exchange contract ("FX Contract"); (ii) Default by the Borrower in payment of monies owing by it to anyone, including the Bank; (iii) Default in the performance of any other obligation of the Borrower under any agreement to which it is subject; or (iv) the Borrower is adjudged to be or voluntarily becomes bankrupt or insolvent or admits in writing to its inability to pay its debts as they come due or has a receiver appointed over its assets, the Bank shall be entitled without advance notice to the Borrower to close out and terminate all of the outstanding FX Contracts entered into hereunder, using normal commercial practices employed by the Bank, to determine the gain or loss for each terminated FX contract. The Bank shall then be entitled to calculate a net termination value for all of the terminated FX Contracts which shall be the net sum of all the losses and gains arising from the termination of the FX Contracts which net sum shall be the "Close Out Value" of the terminated FX Contracts. The Borrower acknowledges that it shall be required to forthwith pay any positive Close Out Value owing to the Bank and the Bank shall be required to pay any negative Close Out Value owing to the Borrower, subject to any rights of set-off to which the Bank is entitled or subject.

25. SET-OFF

In addition to and not in limitation of any rights now or hereafter granted under applicable law, the Bank may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, in any currency, and any other indebtedness or amount payable by the Bank (irrespective of the place of payment or booking office of the obligation), to or for the credit of or for the Borrower's account, including without limitation, any amount owed by the Bank to the Borrower under any FX Contract or other treasury or derivative product, against and on account of the indebtedness and liability under this Agreement notwithstanding that any of them are contingent or unmatured or in a different currency than the indebtedness and liability under this Agreement.

When applying a deposit or other obligation in a different currency than the indebtedness and liability under this Agreement to the indebtedness and liability under this Agreement, the Bank will convert the deposit or other obligation to the currency of the indebtedness and liability under this Agreement using the exchange rate determined by the Bank at the time of the conversion.

26. SEVERABILITY

In the event any one or more of the provisions of this Agreement shall for any reason, including under any applicable statute or rule of law, be held to be invalid, illegal or unenforceable, that part will be severed from this Agreement and will not affect the enforceability of the remaining provisions of this Agreement, which shall remain in full force and effect.

27. MISCELLANEOUS

- i) The Borrower has received a signed copy of this Agreement;
- ii) If more than one Person, firm or corporation signs this Agreement as the Borrower, each party is jointly and severally liable hereunder, and the Bank may require payment of all amounts payable under this Agreement from any one of them, or a portion from each, but the Bank is released from any of its obligations by performing that obligation to any one of them;
- iii) Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with accounting principles established from time to time by the Canadian Institute of Chartered Accountants (or any successor) consistently applied, and all financial statements and information provided to the Bank will be prepared in accordance with those principles;
- iv) This Agreement is governed by the law of the Province or Territory where the Branch/Centre is located;
- v) Unless stated otherwise, all amounts referred to herein are in Canadian dollars.

28. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"Agreement" means the agreement between the Bank and the Borrower set out in the Letter and this Schedule "A" - Standard Terms and Conditions.

"All-In Rate" means the greater of the interest rates that the Borrower pays for Floating Rate Loans or the highest fixed rate paid for Fixed Rate Term Loans.

"Business Day" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business.

"Branch/Centre" means The Toronto-Dominion Bank branch or banking centre noted on the first page of the Letter, or such other branch or centre as may from time to time be designated by the Bank.

"Contractual Term Maturity Date" means the last day of the Contractual Term period. If the Letter does not set out a specific Contractual Term period but rather refers to a period of time up to which the Contractual Term Maturity Date can occur, the Bank and the Borrower must agree on a Contractual Term Maturity Date before first drawdown, which Contractual Term Maturity Date will be set out in the Rate and Payments Terms Notice.

"Cross Default Threshold" means the cross default threshold set out in the Letter. If no such cross default threshold is set out in the Letter it will be deemed to be zero.

"Face Amount" means, in respect of:

- (i) a B/A, the amount payable to the holder thereof on its maturity;
- (ii) A L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback being established by the Bank in accordance with the conventions for this rate recommended by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, for determining "Daily Simple SOFR" for bilateral business loans; provided, that if the Bank decides that any such convention is not administratively feasible for the Bank, then the Bank may establish another convention in its reasonable discretion.

"Early Opt-in Effective Date" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Borrower.

"Early Opt-in Election" means the occurrence of:

- (i) a determination by the Bank that at least five currently outstanding U.S. dollar-denominated syndicated or bilateral credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate, and
- (ii) the election by the Bank to trigger a fallback from LIBOR and the provision by the Bank of written notice of such election to the Borrower.

"Fixed Rate Term Loan" means any drawdown in Canadian dollars under a Facility at an interest rate which is fixed for a Rate Term at such rate as is determined by the Bank at its sole discretion.

"Floating Rate Loan" means any loan drawn down, converted or extended under a Facility at an interest rate which is referenced to a variable rate of interest, such as the Prime Rate.

"Inventory Value" means, at any time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"Letter" means the letter from the Bank to the Borrower to which this Schedule "A" - Standard Terms and Conditions is attached.

"Letter of Credit" or *"L/C"* means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"Letter of Guarantee" or *"L/G"* means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"LIBOR Replacement Conforming Changes" means any technical, administrative or operational changes (including changes to applicable definitions, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Bank decides may be appropriate to reflect the adoption and implementation of the LIBOR Successor Rate and the Bank's administration thereof in a manner substantially consistent with market practice (or, if the Bank decides that adoption of any portion of such market practice is not administratively feasible or determines that no market practice for the administration of the LIBOR Successor Rate exists, in such other manner of administration as the Bank decides is reasonably necessary in connection with the administration of this Agreement and the other documents required hereunder).

"LIBOR Successor Rate" means, for any interest period as of the applicable date of determination, the first alternative set forth below that can be determined by the Bank:

- (i) the sum of: (a) Term SOFR and (b) 0.11448% (11.448 basis points) for an interest period of 1 month, 0.26161% (26.161 basis points) for an interest period of 3 months, and 0.42826% (42.826 basis points) for an interest period of 6 months, or
- (ii) the sum of: (x) Daily Simple SOFR and (y) the spread adjustment selected or recommended by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, for the replacement of the contract maturity of LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in the "LIBOR Discontinuation" clause in Section 3 of this Schedule A.

"*Maturity Date*" for a Facility, means the date on which all amounts outstanding under such Facility are due and payable to the Bank.

"*Person*" includes any individual, sole proprietorship, corporation, partnership, 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).

"*Purchase Money Security Interest*" means a security interest on an asset which is granted to a lender or to the seller of such asset in order to secure the purchase price of such asset or a loan incurred to acquire such asset, provided that the amount secured by the security interest does not exceed the cost of the asset and provided that the Borrower provides written notice to the Bank prior to the creation of the security interest, and the creditor under the security interest has, if requested by the Bank, entered into an inter-creditor agreement with the Bank, in a format acceptable to the Bank.

"*Rate Term*" means that period of time as selected by the Borrower from the options offered to it by the Bank, during which a Fixed Rate Term Loan will bear a particular interest rate. If no Rate Term is selected, the Borrower will be deemed to have selected a Rate Term of 1 year.

"*Rate and Payment Terms Notice*" means the written notice sent by the Bank to the Borrower setting out the interest rate and payment terms for a particular drawdown.

"*Receivable Value*" means, at any time of determination, the total value of those of the Borrower's trade accounts receivable that are subject to the Bank Security other than (i) those accounts then outstanding for 90 days, (ii) those accounts owing by Persons, firms or corporations affiliated with the Borrower, (iii) those accounts that the Bank may from time to time designate in its sole discretion, (iv) those accounts subject to any claim, liens, or encumbrance having or purporting to have priority over the Bank, (v) those accounts which are subject to a claim of set-off by the obligor under such account, MINUS the total amount of all claims, liens, or encumbrances on those receivables having or purporting to have priority over the Bank.

"*Receivables/Inventory Summary*" means a summary of the Borrower's trade account receivables and inventories, in form as the Bank may require and certified by a senior officer/representative of the Borrower.

"*SOFR*" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured financing rate from time to time), on the immediately succeeding Business Day.

"*Term SOFR*" means, for the applicable corresponding interest period, the forward-looking term rate based on SOFR that has been selected or recommended by the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"*US\$*" or "*USD Equivalent*" means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the exchange rate determined by the Bank at the time of the conversion.



Credit Details

Source Code _____

Total Credit Limit Requested (Min \$1,000) \$50,000

Products and Fees (All fees, features and benefits are subject to change).

TD [®] Aeroplan [®] Visa* Business Card	AVB	Annual Fee is \$149 and \$49 for each additional Card(s)
TD Business Travel Visa* Card	BTV	Annual Fee is \$149 and \$49 for each additional Card(s)
TD Business Cash Back Visa* Card	BCB	Annual Fee \$0 and \$0 for each additional Card(s)
TD Business Select Rate Visa* Card (No Fee)	BSR (No Fee)	Annual Fee \$0 and \$0 for each additional Card(s)
TD Business Select Rate Visa* Card (Fee)	BSR (Fee)	Annual Fee \$49 and \$49 for each additional Cards(s)

Section 1: Application and Agreement

The Business Borrower is the legal entity (company, corporation, partnership, etc) that is requesting and liable for all TD Credit Card(s) in accordance with the terms of this Agreement. In this Agreement, the words "you", "your" and "yours" mean the Business Borrower who has signed this Agreement.

In this section, the word "Cardholder" means each of the individual(s) for whom you are requesting a TD Credit Card(s) under Section 2 of this Agreement and any additional individual(s) for whom you request TD Canada Trust Credit Card(s) in the future.

Upon approval of this Application, you agree to be bound by the Terms and Conditions of this Application below and on the following pages (the "Agreement"), including the collection, disclosure and use of your information as set out under "Privacy Agreement". In the event this Application is declined, you will not be subject to this Agreement which will be null and void.

- (a) you are requesting TD Credit Card(s) (the "Card(s)") be issued to the Cardholder(s) as indicated in Section 2 of this Agreement and that renewal and replacement Card(s) be issued automatically by us from time to time without any action required by you;
- (b) you will read and be bound by our TD Cardholder Agreement as revised from time to time (the "Cardholder Agreement") that you and/or the Cardholder(s) will receive with the Card(s);
- (c) you will be liable for all obligations including payment of all amounts owing to us under the Cardholder Agreement for all Card(s) issued to the Cardholder(s);
- (d) the paragraph in the Cardholder Agreement under the heading "Liability" providing for joint and several liability does not apply; you are liable for payment of all amounts owing to us under the Cardholder Agreement; the Cardholder(s) are not liable to us for repayment under the Cardholder Agreement;
- (e) use of the Card(s) by the Cardholder(s) shall evidence receipt and agreement to the terms of the Cardholder Agreement;
- (f) if we permit, you and your representative(s) may authorize that additional Card(s) be issued (including to additional Cardholder(s)), that Card(s) be terminated, that the credit limit on Card(s) be increased or decreased or otherwise provide us with instructions regarding the Card(s), and you will remain liable for all obligations under the Cardholder Agreement including payment of all amounts owing to us for all Card(s) issued to Cardholder(s);
- (g) we may deal with you, the Card(s) and the Cardholder(s) in any manner in accordance with the terms of the Cardholder Agreement;
- (h) we may send Cardholder Agreement(s), monthly statements and other communications to either you or the Cardholder(s) and you agree that it will be sufficient communication to you and the Cardholder(s);
- (i) to provide written notice to us to terminate Card(s) and be responsible for retrieving such Card(s) from Cardholder(s) upon termination of employment or other contractual relationship with you, termination of credit evidenced by such Card(s) or indication of misuse of the Card(s); to be responsible for retrieving Card(s) from Cardholder(s) upon termination of this Agreement or the Cardholder Agreement either by us or you;
- (j) if you are a TD Aeroplan Visa Business Cardholder(s) you understand and agree that Aeroplan points earned with your TD Aeroplan Visa Business Card will be awarded to the Aeroplan Number set out in Section 3 below;
- (k) if you are a TD Business Travel Visa Cardholder(s) you understand and agree that the TD Travel Rewards Program (the "Program") is solely for the benefit of the Cardholder(s) even if you paid the annual fee(s) for the Cardholder(s) until March 31, 2020; effective April 1, 2020, an Individual Borrower has the right to allocate the TD Rewards Points earned by any Additional Cardholder to the TD Rewards Points Balance of the Individual Borrower or any other person or persons designated by the Individual Borrower; only an Individual Borrower has the right to allocate; an Additional Cardholder does not have the right to allocate; the Terms and Conditions of the Program will be provided to the Cardholder(s) with the Cardholder Agreement;
- (l) if you are a TD Business Cash Back Visa Cardholder(s) you understand and agree that the Cash Back Dollars earned by the Cardholder under the TD Business Cash Back Program is solely for the benefit of the Business Borrower or Individual Borrower(s); the Terms and Conditions of the TD Business Cash Back Program will be provided to the Cardholder(s) with the Cardholder Agreement;

- (m) if you sign this Agreement on behalf of the Business Borrower, you certify that you have full authority to bind the Business Borrower;
- (n) you acknowledge and confirm that: (1) all information you have provided to us respecting the Business Borrower is accurate and complete, including the names of the owner(s) and any directors, the names and addresses of any beneficial owners and of any trustees, known beneficiaries and/or settlors, as well as the ownership, control and structure of the Business Borrower; and that (2) we reserve the right to request updated information about the Business Borrower and/or additional supporting information at any time; you also agree to advise us immediately of any changes to any directors, beneficial owners, trustees, known beneficiaries and/or settlors, as well as any changes in the ownership, control, and/or structure of the Business Borrower;
- (o) this Agreement may be executed in counterparts and each counterpart so executed and delivered shall be deemed an original;
- (p) this Agreement and the Cardholder Agreement is binding on your successors and permitted assigns; and
- (q) the terms of this Agreement shall prevail over any inconsistent or conflicting provisions contained in the Cardholder Agreement.

Condition: If the Business Borrower is a corporation incorporated more than twelve months before the date of this Agreement, then the TD Canada Trust Credit Card Account will be made available only if we obtain a certificate of status showing active status for such corporation. If we are unable to obtain such certificate of status, this Agreement shall be of no force or effect.

Section 2: Cardholder(s)

The Cardholder(s) are the following individual(s) for whom TD Canada Trust Credit Card(s) are being requested. The Business Borrower is providing the information below about the Cardholder(s) with the consent of the Cardholder(s) and for the purpose of issuing the TD Canada Trust Credit Card(s) as requested. The Business Borrower is liable for all amounts charged to the TD Canada Trust Credit Card Account including those made by any Cardholder(s).

(Note re: TD Aeroplan Visa Business Cards and Business Travel Card: \$149 Annual Fee will only apply to Card issued to first Cardholder listed below. Business Borrower and/or Individual Borrower, as applicable, may change first-named Cardholder for Annual Fee purposes upon request. In the event that Card for first-named Cardholder is closed, Bank will automatically re-assign \$149 Annual Fee to next-named Cardholder listed below, unless instructed otherwise by Business Borrower and/or Individual Borrower, as applicable.)

Cardholder(s) Name	Credit Limit	Card Type	Cardholder Date of Birth mm/dd/yyyy	Cardholder Telephone Number	Cardholder Home Address
JOHN HENRIQUES	\$50,000	Visa aeroplan	06/24/1968	647 988 - 6471	79 BRUNSWICK AVE TORONTO, ON M5S 2L8

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Section 3: Aeroplan points

Must be completed only where Card type chosen is TD Aeroplan Visa Business Card

Cardholder(s) Name	Relationship to the Business	Recipient of points	Aeroplan Number (Owner(s) only)	Name or Aeroplan number who is to receive points, if Recipient of points is answered "no"
John Henriques	Owner	YES	<input checked="" type="checkbox"/> Aeroplan Number: 960155380 <input type="checkbox"/> TD to request a new Aeroplan account	960155380
			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	
			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	
			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	
			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	
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			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	
			<input type="checkbox"/> Aeroplan Number: <input type="checkbox"/> TD to request a new Aeroplan account	

Section 4: Business Borrower

By signing below, the Business Borrower is liable for all obligations and agrees to be bound by the terms and conditions of this Agreement.

Name of Business Borrower (the partnership, corporation or other legal entity):


IMAGES LIFE MEDIA INC.

Address: Street 115 WALNUT AVE

City TORONTO

Province ON ontario

Postal Code M5V 2S1

Name (Print)	Signature	Date
JOHN HENRIQUES, PRESIDENT		JAN 12 2021

I / We have authority to bind the Business Borrower.

PRIVACY AGREEMENT: In this Privacy Agreement, the words "you" and "your" mean any person, or that person's authorized representative, who has requested from us, or offered to provide a guarantee for, any product, service or account offered by us in Canada. The words "we", "us" and "our" mean TD Bank Group ("TD"). TD includes The Toronto-Dominion Bank and its world-wide affiliates, which provide deposit, investment, loan, securities, trust, insurance and other products or services. The word "Information" means personal, financial and other details about you that you provide to us and we obtain from others outside TD, including through the products and services you use.

You acknowledge, authorize and agree as follows:

COLLECTING AND USING YOUR INFORMATION - At the time you request to begin a relationship with us and during the course of our relationship, we may collect Information including:

- details about you and your background, including your name, address, contact information, date of birth, occupation and other identification
- records that reflect your dealings with and through us;
- your preferences and activities.

This Information may be collected from you and from sources within or outside TD, including from:

- government agencies and registries, law enforcement authorities and public records

- credit reporting agencies
- other financial or lending institutions
- organizations with whom you make arrangements, other service providers or agents, including payment card networks
- references or other information you have provided
- persons authorized to act on your behalf under a power of attorney or other legal authority
- your interactions with us, including in person, over the phone, at the ATM, on your mobile device or through email or the Internet
- records that reflect your dealings with and through us

You authorize the collection of Information from these sources and, if applicable, you authorize these sources to give us the Information.

We will limit the collection and use of Information to what we require in order to serve you as our customer and to administer our business, including to:

- verify your identity
- evaluate and process your application, accounts, transactions and reports
- provide you with ongoing service and information related to the products, accounts and services you hold with us
- analyze your needs and activities to help us serve you better and develop new products and services
- help protect you and us against fraud and error
- help manage and assess our risks, operations and relationship with you
- help us collect a debt or enforce an obligation owed to us by you
- comply with applicable laws and requirements of regulators, including self-regulatory organizations.

DISCLOSING YOUR INFORMATION - We may disclose Information, including as follows:

- with your consent
- in response to a court order, search warrant or other demand or request, which we believe to be valid
- to meet requests for information from regulators, including self-regulatory organizations of which we are a member or participant, or to satisfy legal and regulatory requirements applicable to us
- to suppliers, agents and other organizations that perform services for you or for us, or on our behalf
- to payment card networks in order to operate or administer the payment card system that supports the products, services or accounts you have with us (including for any products or services provided or made available by the payment card network as part of your product, services or accounts with us), or for any contests or other promotions they may make available to you
- to any Authorized User or Additional Cardholder for whom you request a Card;
- on the death of a joint account holder with right of survivorship, we may release any information regarding the joint account up to the date of death to the estate representative of the deceased, except in Quebec where the liquidator is entitled to all account information up to and after the date of death
- when we buy a business or sell all or part of our business or when considering those transactions
- to help us collect a debt or enforce an obligation owed to us by you
- where permitted by law

SHARING INFORMATION WITHIN TD - Within TD we may share Information world-wide, other than health-related Information, for the following purposes:

- to manage your total relationship within TD, including servicing your accounts and maintaining consistent Information about you
- to manage and assess our risks and operations, including to collect a debt owed to us by you.
- to comply with legal or regulatory requirements.

You may not withdraw your consent for these purposes.

Within TD we may also share Information world-wide, other than health-related Information, to allow other businesses within TD to tell you about products and services. In order to understand how we use your Information for marketing purposes and how you can withdraw your consent, refer to the Marketing Purposes section below.

ADDITIONAL COLLECTIONS, USES AND DISCLOSURES

Social Insurance Number (SIN) - If requesting products, accounts or services that may generate interest or other investment income, we will ask for your SIN for revenue reporting purposes. This is required by the Income Tax Act (Canada). If we ask for your SIN for other products or services, it is your option to provide it. When you provide us with your SIN, we may also use it as an aid to identify you and to keep your Information separate from that of other customers with a similar name, including through the credit granting process. You may choose not to have us use your SIN as an aid to identify you with credit reporting agencies.

Credit Reporting Agencies and Other Lenders- For a credit card, line of credit, loan, mortgage or other credit facility, merchant services, or a deposit account with overdraft protection, hold and/or withdrawal or transaction limits, we will exchange Information and reports about you with credit reporting agencies and other lenders at the time of and during the application process, and on an ongoing basis to review and verify your creditworthiness, establish credit and hold limits, help us collect a debt or enforce an obligation owed to us by you, and/or manage and assess our risks. You may choose not to have us conduct a credit check in order to assess an application for credit. Once you have such a facility or product with us and for a reasonable period of time afterwards, we may from time to time disclose your Information to other lenders and credit reporting agencies requesting such Information, which helps establish your credit history and supports the credit granting and processing functions in general. We may obtain Information and reports about you from Equifax Canada Inc., Trans Union of Canada, Inc. or any other credit reporting agency. You may access and rectify any of your personal information contained in their files by contacting them directly through their respective websites www.consumer.equifax.ca and www.transunion.ca. Once you have applied for any credit product with us, you may not withdraw your consent to this exchange of Information.

Fraud - In order to prevent, detect or suppress financial abuse, fraud, criminal activity, protect our assets and interests, assist us with any internal or external investigation into potentially illegal or suspicious activity or manage, defend or settle any actual or potential loss in connection with the foregoing, we may collect from, use and disclose your Information to any person or organization, fraud prevention agency, regulatory or government body, the operator of any database or registry used to check information provided against existing information, or other insurance companies or financial or lending institutions. For these purposes, your Information may be pooled with data belonging to other individuals and subject to data analytics.

Insurance - This section applies if you are applying for, requesting prescreening for, modifying or making a claim under, or have included with your product, service or account, an insurance product that we insure, reinsure, administer or sell. We may, collect, use, disclose and retain your Information, including health-related Information. We may collect this Information from you or any health care professional, medically-related facility, insurance company, government agency, organizations who manage public information data banks, or insurance information bureaus, including MIB Group, Inc. and the Insurance Bureau of Canada, with knowledge of your Information.

With regard to life and health insurance, we may also obtain a personal investigation report prepared in connection with verifying and/or authenticating the information you provide in your application or as part of the claims process.

With regard to home and auto insurance, we may also obtain Information about you from credit reporting agencies at the time of, and during the application process and on an ongoing basis to verify your creditworthiness, perform a risk analysis and determine your premium.

We may use your Information to:

- determine your eligibility for insurance coverage
- administer your insurance and our relationship with you
- determine your insurance premium
- investigate and adjudicate your claims
- help manage and assess our risks and operations.

We may share your Information with any health-care professional, medically-related facility, insurance company, organizations who manage public information data banks, or insurance information bureaus, including the MIB Group, Inc. and the Insurance Bureau of Canada, to allow them to properly answer questions when providing us with Information about you. We may share lab results about infectious diseases with appropriate public health authorities.

If we collect your health-related Information for the purposes described above, it will not be shared within TD, except to the extent that a TD company insures, reinsures, administers or sells relevant coverage and the disclosure is required for the purposes described above. Your Information, including health-related Information, may be shared with administrators, service providers, reinsurers and prospective insurers and reinsurers of our insurance operations, as well as their administrators and service providers for these purposes.

Marketing Purposes - We may also use your Information for marketing purposes, including to:

- tell you about other products and services that may be of interest to you, including those offered by other businesses within TD and third parties we select
- determine your eligibility to participate in contests, surveys or promotions
- conduct research, analysis, modeling, and surveys to assess your satisfaction with us as a customer, and to develop products and services
- contact you by telephone, fax, text messaging, or other electronic means and automatic dialing-announcing device, at the numbers you have provided us, or by ATM, internet, mail, email and other methods.

With respect to these marketing purposes, you may choose not to have us:

- contact you occasionally either by telephone, fax, text message, ATM, internet, mail, email or all of these methods, with offers that may be of interest to you
- contact you to participate in customer research and surveys.

Telephone and Internet discussions - When speaking with one of our telephone service representatives, internet live chat agents, or messaging with us through social media, we may monitor and/or record our discussions for our mutual protection, to enhance customer service and to confirm our discussions with you.

ADDITIONAL INFORMATION AND DISCLOSURES FOR TD AEROPLAN CARDHOLDERS:

You acknowledge and consent to the following additional collection, uses and disclosure of Information about you. When you complete your TD Aeroplan credit card account application, you provide us with contact information including name, mailing address, email address, telephone number, date of birth and Aeroplan number (if you have provided it). This contact information will be shared with Aeroplan Inc. and Air Canada Inc. (collectively, "Air Canada") as part of the Aeroplan Program enrollment process.

When you are approved for your credit card account, TD and Air Canada will share Information with each other, including Information about transactions on your Card (for example, the purchase amount, transaction date, location and name of merchants), and your Aeroplan Program transactions and Information (for example, your Aeroplan points, earnings or redemptions and Aeroplan status). This Information is shared for the purposes set out in TD's, Aeroplan's, and Air Canada's privacy policies, including administering and supporting the Aeroplan Program, enhancing each of TD and Air Canada's products and services, providing promotional materials and offers, internal reporting and analytics, and for the purposes set out in the Cardholder Agreement for the Account.

Air Canada will share your contact information as well as Information about your interests and preferences, and insights about your purchasing and travel patterns (such as whether you are a frequent or luxury traveler) with Air Canada's airline and travel-related affiliates. Air Canada's affiliates will use that Information to personalize their relationship with you, including providing you with tailored, travel-related offers.

Information that is provided directly to Air Canada or that Air Canada obtains about a Cardholder as a member of the Aeroplan Program

(including as a potential member) is governed by Aeroplan's Privacy Policy at AirCanada.com/aeroplan-privacypolicy and Air Canada's Privacy Policy at AirCanada.com, and is not the responsibility of TD. Please refer to these privacy policies:

- If you have any questions or would like to learn more about the Aeroplan Program's or Air Canada's privacy practices;
- If you no longer wish to be contacted by Aeroplan Inc., Air Canada Inc. or its airline and travel-related affiliates about their products and services; or
- To learn about the choices you have about Air Canada Inc.'s sharing of your Information with its airline and travel-related affiliates

MORE INFORMATION

This Privacy Agreement must be read together with our Privacy Code. You acknowledge that the Privacy Code forms part of the Privacy Agreement. For further details about this Privacy Agreement and our privacy practices, visit www.td.com/privacy or contact us for a copy.

You acknowledge that we may amend this Privacy Agreement and our Privacy Code from time to time. We will post the revised Privacy Agreement and Privacy Code on our website listed above. We may also make them available at our branches or other premises or send them to you by mail. You acknowledge, authorize and agree to be bound by such amendments.

If you wish to opt-out or withdraw your consent at any time for any of the opt-out choices described in this Privacy Agreement, you may do so by contacting us at 1-866-567-8888. Please read our Privacy Code for further details about your opt-out choices.

All trade-marks are the property of their respective owners. For Air Canada and Aeroplan trade-mark ownership details see: td.com/aeroplancards

® / The TD logo and other trade-marks are the property of The Toronto-Dominion Bank or a wholly-owned subsidiary, in Canada and/or other countries.

This is Exhibit "D" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: Branch #1968, 2 St. Clair Avenue East, Toronto, ON M4T 2V4

Granted By: 2531509 ONTARIO INC.

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertaking of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party together with any specified collateral described in Schedule "A" hereto (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than Inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or permit (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any 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 Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank 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 Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain on the Collateral for arrears of rent.

6. Survival of Representations and Warranties and Covenants

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. Performance of Covenants by The Bank

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. Securities, Investment Property

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

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

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) 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 Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) 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 Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. Dealing with Security Interest

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law or in equity, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby


14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section of or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor 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 "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.
- (r) **Execution.** The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 24 day of December, 2020.

2531509 ONTARIO INC.

Per: 
(authorized signature) John Henriques

Per: _____
(authorized signature)

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Witness as to execution

SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

QUANTITY	DESCRIPTION	SERIAL NUMBER
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LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

SPECIFIED COLLATERAL (Ontario only)

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity, their successors and assigns, in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:

1. By executing this Agreement, Grantor has granted an assignment to the Bank of any and all rights of the Grantor in and to the above quota/licence, any amendments, substitutions, additions or supplements thereto, and any proceeds thereof.
2. Grantor agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Grantor agrees not to apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of the Bank.
4. The security and/or rights hereby granted shall extend to and include all present and future acquired quota/licence rights issued by the Board to the Grantor, whether issued under the above quota/licence number or under any other such number.

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT

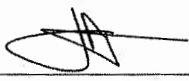
"RESOLVED THAT:

- (a) The President, John Henriques and the XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialled by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of 2531509 Ontario Inc.

on the 24 day of December, 2020 and that the said Resolution is now in full force and effect.


 _____ C/S
 Secretary John Henriques, President



TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: Branch #1968, 2 St. Clair Avenue East, Toronto, ON M4T 2V4

Granted By: IMAGES LIFE MEDIA INC.

(the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertaking of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licences, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or licence to use intellectual property belonging to a third party together with any specified collateral described in Schedule "A" hereto (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than Inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;

- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, licence or permit (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of, or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

- (a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".
- (b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any 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 Grantor; and
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;

- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances, statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;
- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of, or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person, or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;

- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;
- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank 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 Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and

- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain on the Collateral for arrears of rent.

6. Survival of Representations and Warranties and Covenants

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. Performance of Covenants by The Bank

- (a) The Bank may, in its sole discretion and upon notice to the Grantor, perform any covenant of the Grantor under this Agreement that the Grantor fails to perform including any covenant the performance of which requires the payment of money, provided that the Bank will not be obligated to perform such covenant on behalf of the Grantor. The performance by the Bank of any such covenant shall not oblige the Bank to continue to perform any such covenant or other covenants nor relieve the Grantor from any default or derogate from the rights and remedies of the Bank under this Agreement. The Grantor agrees to indemnify and to reimburse the Bank for all costs and expenses incurred by the Bank in connection with the performance by it of any such covenant, and all such costs and expenses shall be payable by the Grantor to the Bank on demand, shall bear interest at the highest rate per annum applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations.
- (b) In holding any Collateral, the Bank and any agent or nominee on its behalf is only bound to exercise the same degree of care as it would exercise with respect to similar property of its own or of similar value held in the same or similar location. The Bank and any agent or nominee on its behalf will be deemed to have exercised reasonable care with respect to the custody and preservation of the Collateral if it takes such action for that purpose as the Grantor reasonably requests in writing, but failure of the Bank or its nominees to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

8. Securities, Investment Property

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

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

The Grantor has not consented to and covenants that it will not consent to, the entering into of a Control Agreement by: (a) any issuer of any uncertificated securities included in or relating to the Collateral; or (b) any securities intermediary for any securities accounts or security entitlements included in or relating to the Collateral, other than, in either case, a Control Agreement to which the Bank is a party.

Promptly upon request from time to time by the Bank, the Grantor shall:

- (a) 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 Bank with respect to such securities accounts or securities entitlements as the Bank requires in form and substance satisfactory to the Bank; and
- (b) 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 Bank with respect to such uncertificated securities in form and substance satisfactory to the Bank.

9. Dealing with Security Interest

The Bank may grant extensions of time and other indulgences, give up any of the Security Interest, abstain from perfecting any of the Security Interest, accept compositions, grant releases and discharges and waive rights against and otherwise deal with the Grantor, Account Debtors of the Grantor, sureties and others and with any of the Collateral and any other security as the Bank may see fit without prejudice to the liability of the Grantor or the Bank's right to hold and realize any of the Security Interest. The Bank shall not be accountable to the Grantor for the value of any of the Security Interest released except for any moneys actually received by the Bank.

10. Deposits and Credit Balances

Without limiting any other rights or remedies of the Bank, the Bank may, without notice to the Grantor or any other Person, any notice being expressly waived by the Grantor, set-off and apply all or any of the amounts standing to or for the credit of the Grantor at the Bank or any of the Bank's affiliates, in any currency, against and on account of all or any part of the Obligations, all as the Bank may see fit, whether or not the Obligations or the amounts standing to or for the credit of the Grantor are due and payable. The Bank is authorized and shall be entitled to make such debits, credits, correcting entries, and other entries to the Grantor's accounts and the Bank's records relating to the Grantor as the Bank regards as desirable in order to give effect to the Bank's rights hereunder and the Grantor agrees to be bound by such entries absent manifest error. When applying a deposit or other obligation in a different currency than the Obligations to the Obligations, the Bank will convert the deposit or other obligation to the currency of the Obligations using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

11. Events of Default

Obligations not payable on demand shall, at the option of the Bank, become immediately due and payable upon the occurrence of one or more of the following events (each, an "event of default"):

- (a) the Grantor fails to pay when due, whether by acceleration or otherwise, any of the Obligations;
- (b) the Grantor fails to perform any provision of this Agreement or of any other agreement to which the Grantor and the Bank are parties;
- (c) if any certificate, statement, representation, warranty, audit report or financial statement heretofore or hereafter furnished by or on behalf of the Grantor pursuant to or in connection with this Agreement, or as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Grantor, is shown to have been false in any material respect or to have omitted any material fact; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty, audit report or financial statement, which change shall not have been disclosed to the Bank at or prior to the time of such execution;
- (d) the Grantor ceases or threatens to cease to carry on business, commits an act of bankruptcy, becomes insolvent, proceedings or other actions are taken by or against the Grantor under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation whether in Canada or elsewhere, or the Grantor transfers all or substantially all of its assets to another Person;
- (e) a receiver, trustee, custodian or other similar official is appointed in respect of the Grantor or any of the Grantor's property;
- (f) the institution by or against the Grantor of any formal or informal proceeding for the dissolution or liquidation or settlement of claims against or winding up of affairs of the Grantor;
- (g) an encumbrancer takes possession of any of the Collateral or any process of execution or distress is levied or enforced upon or against any of the Collateral;
- (h) any indebtedness or liability of the Grantor, other than to the Bank, becomes due and payable, or capable of being declared due and payable, before the stated maturity thereof or any such indebtedness or liability shall not be paid at the maturity thereof or upon the expiration of any stated applicable grace period thereof, or the Grantor fails to make payment when due under any guarantee given by the Grantor;
- (i) if the Grantor is an individual, the Grantor dies or is found by a court to be incapable of managing his or her affairs;
- (j) an execution or any other process of any court shall become enforceable against the Grantor;
- (k) if the Grantor is a partnership, the death of a partner; or
- (l) any other event which causes the Bank, in good faith, to deem itself insecure;

and the Bank shall not be required to make any further advances or other extension of credit that constitutes an Obligation.

12. Remedies

- (a) Upon the occurrence of an event of default that has not been cured or waived, the Bank, in addition to any right or remedy otherwise provided herein or by law or in equity, will have the rights and remedies set out below, which may be enforced successively or concurrently:
 - (i) to take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

- (ii) to take possession of the Collateral and require the Grantor to assemble the Collateral and deliver or make the Collateral available to the Bank at such place as may be specified by the Bank, and the Bank will not be or be deemed to be a mortgagee in possession by virtue of any such actions;
 - (iii) to exercise and enforce all rights and remedies of the Grantor with respect to the Collateral, including collecting and realizing upon all Accounts and Book Debts;
 - (iv) to carry on or concur in carrying on all or any part of the business of the Grantor;
 - (v) for the maintenance, preservation or protection of the Collateral or for carrying on any of the business of the Grantor, to borrow money on the security of the Collateral, which security will rank in priority to the Security Interest, or on an unsecured basis;
 - (vi) to the exclusion of all others, including the Grantor, to enter upon, occupy and use all or any of the premises, buildings and plants owned or occupied by the Grantor and use all or any of the Collateral of the Grantor for such time as the Bank requires to facilitate the preservation and realization of the Collateral, free of charge, and the Bank will not be liable to the Grantor for any neglect in so doing or in respect of any rent, charges, depreciation or damages in connection with such actions;
 - (vii) to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of the Collateral upon such terms and conditions as the Bank may determine;
 - (viii) to dispose of any of the Collateral in the condition in which it was at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;
 - (ix) if any part of the Collateral is perishable or will decline speedily in value, to sell or otherwise dispose of same without giving any notice of such disposition;
 - (x) to make any arrangement or compromise which the Bank shall think expedient in the interests of the Bank, including compromising any Accounts and Book Debts, and giving time for payment thereof with or without security;
 - (xi) to appoint a consultant or monitor, at the Grantor's expense, to evaluate the Grantor's business and the value of the Collateral, and to review the options available to the Bank; and
 - (xii) to appoint or reappoint by instrument in writing any person or persons, whether an officer or officers or employee or employees of the Bank or not, to be a receiver or receivers or a receiver and manager of the Collateral and remove or replace any person or persons so appointed or apply to any court for the appointment of a receiver or receiver and manager (each hereinafter called a "Receiver").
- (b) Any Receiver so appointed shall be deemed to be the agent of the Grantor and not the Bank, and the Grantor and not the Bank, shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses. The Bank shall not be in any way responsible for any misconduct, negligence or failure to act on the part of any such Receiver, its servants, agents or employees.
- (c) The Grantor agrees to pay all costs, charges and expenses incurred by the Bank or any Receiver appointed by the Bank, whether directly or for services rendered (including reasonable legal and auditors' costs and expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting the Obligations, and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Bank or any Receiver appointed by the Bank, as permitted hereby, shall be a first charge on the Collateral and shall be secured hereby.
- (d) The Bank will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the PPSA.
- (e) Upon default and receiving written demand from the Bank, the Grantor agrees to take such further action as may be necessary to evidence and effect an assignment or licensing of intellectual property to whomever the Bank directs, including to the Bank. The Grantor appoints any officer or employee of the Bank to be its attorney in accordance with applicable legislation with full power of substitution, to do on the Grantor's behalf anything that is required to assign, license or transfer, and to record any assignment, license or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.
- (f) The Grantor authorizes the Bank to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying any Collateral or identifying the locations at which the Collateral is located and correcting any clerical errors or deficiencies in this Agreement) as the Bank may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest. The Grantor hereby irrevocably constitutes and appoints the Bank and any of its officers or employees from time to time as the true and lawful attorney of the Grantor, with full power of substitution, to do any of the foregoing in the name of the Grantor whenever and wherever it may be deemed necessary or

expedient. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

If the disposition of the Collateral fails to satisfy the Obligations secured by this Agreement including the expenses incurred by the Bank in connection with the preservation and realization of the Collateral as described above, the Grantor shall be liable to pay any deficiency to the Bank forthwith on demand.

13. Environmental License and Indemnity

The Grantor hereby grants to the Bank and its officers, employees and agents an irrevocable and non-exclusive license, subject to the rights of tenants, to enter any Real Property to conduct investigations, inspections, audits, testing and monitoring with respect to any contaminants or hazardous substances and to remove and analyze samples of any contaminants or hazardous substances at the cost and expense of the Grantor (which cost and expense will form part of the Obligations and will be payable immediately on demand and secured hereby). The Grantor hereby indemnifies and will indemnify the Bank and agrees to hold the Bank harmless against and from all losses, fines, penalties, costs, damages and expenses which the Bank may sustain, incur or be held to be or for which it may become liable, at any time whatsoever for or by reason of or arising from the past, present or future presence of or, clean-up, removal or disposal of any contaminants or hazardous substances from, on, under or adjacent to any Real Property owned by the Grantor or which may become owned or occupied by the Bank or as a result of the Bank's compliance with environmental laws or environmental orders relating thereto, including any clean-up, decommissioning, restoration or remediation of any Real Property owned or occupied by the Grantor or other affected or adjacent lands or property. This indemnification will survive the satisfaction, release or extinguishment of the Obligations created hereby

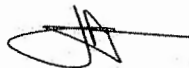
14. Miscellaneous

- (a) **Interpretation.** The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement (including any schedule now or hereafter annexed hereto) and not to any particular Section or other portion hereof. Unless otherwise specified, any reference herein to a Section or Schedule refers to the specified Section of or Schedule to this Agreement. In this Agreement: (i) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa; (ii) the words "include", "includes" and "including" mean "include", "includes" or "including", in each case, "without limitation"; (iii) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time; (iv) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and (v) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.
- (b) **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Grantor shall not assert against the assignee any claim or defence which the Grantor now has or hereafter may have against the Bank.
- (c) **Amalgamation.** The Grantor 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 "Grantor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) in which any amalgamating company has any rights at the time of amalgamation and to any "Collateral" in which the amalgamated company thereafter has any rights, and (ii) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Bank at the time of amalgamation and any "Obligations" of the amalgamated company to the Bank thereafter arising.
- (d) **Joint and Several.** If there is more than one Grantor named herein, the term "Grantor" shall mean all and each of them, their obligations under this Agreement shall be joint and several, the Obligations shall include those of all or any one of them and no Grantor shall have the right of subrogation, exoneration, reimbursement or indemnity whatsoever and no right of recourse to the Collateral for the Obligations hereunder unless and until all of the Obligations have been paid or performed in full, notwithstanding any change for any cause or in any manner whatsoever in the composition of or membership of any firm or company which is a party hereto.
- (e) **Attachment of Security Interest.** The Grantor acknowledges that value has been given and that the Security Interest granted hereby will attach when the Grantor signs this Agreement and will attach to Collateral in which the Grantor subsequently acquires any rights, immediately upon the Grantor acquiring such rights. The parties do not intend to postpone the attachment of any Security Interest created by this Agreement.

- (f) **No Obligation to Advance.** Neither the execution of this Agreement nor any advance of funds shall oblige the Bank to advance any funds or any additional funds or enter into any transaction or renew any note or extend any time for payment of any of the Obligations of the Grantor to the Bank.
- (g) **Information.** The Bank may provide any financial and other information it has about the Grantor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or anyone acting on behalf of the Bank.
- (h) **Assignment.** The Bank may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Bank.
- (i) **Amendment.** Subject to Section 12(f) of this Agreement, no amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the parties hereto. No course of conduct by the Bank will be deemed to result in an amendment of this Agreement.
- (j) **Term.** This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until all of the Obligations shall be indefeasibly paid in full or discharged by the Bank and until the Bank shall no longer have any commitment to the Grantor or any other Person, the fulfillment of which, might result in the creation of Obligations of the Grantor.
- (k) **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Agreement.
- (l) **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the jurisdiction where the Branch of the Bank is located.
- (m) **Waiver by the Bank.** No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to any Obligations shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or of any other right or remedy. Furthermore, the Bank may remedy any default by the Grantor hereunder or with respect to any Obligations in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Grantor. No course of conduct of the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Bank's rights hereunder. All rights and remedies of the Bank granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (n) **Waiver by the Grantor.** The Grantor waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Grantor is in any way liable and, subject to clause 12(d) hereof, notice of any other action taken by the Bank.
- (o) **Non-Substitution.** The Security Interest is in addition to and not in substitution for any other security now or hereafter held by the Bank.
- (p) **Entire Agreement.** This Agreement including any schedule now or hereafter annexed hereto, constitutes the entire agreement between the Grantor and the Bank with respect to the subject matter hereof. There are no representations, warranties, terms and conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth in this Agreement.
- (q) **Acknowledgment.** The Grantor acknowledges receipt of a fully executed copy of this Agreement and, to the extent permitted by applicable law, waives the right to receive a copy of any financing statement, financing change statement or verification statement in respect of any registered financing statement or financing change statement prepared, registered or issued in connection with this Agreement.
- (r) **Execution.** The Grantor agrees that this Agreement may be executed electronically and in counterparts.

IN WITNESS WHEREOF the Grantor has executed this Agreement this 24 day of December, 2020 .

IMAGES LIFE MEDIA INC.

Per: 
(authorized signature) John Henriques

Per: _____
(authorized signature)

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Signature: _____

Name: _____

[Address of Grantor]

Witness as to execution

SCHEDULE "A"

DESCRIPTION OF EQUIPMENT/SERIAL NUMBERED GOODS

QUANTITY	DESCRIPTION	SERIAL NUMBER
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LOCATION OF COLLATERAL

The Collateral is now and will hereafter be located at the following address(es) (include Street/Town/City and Province):

SPECIFIED COLLATERAL (Ontario only)

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity, their successors and assigns, in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:

1. By executing this Agreement, Grantor has granted an assignment to the Bank of any and all rights of the Grantor in and to the above quota/licence, any amendments, substitutions, additions or supplements thereto, and any proceeds thereof.
2. Grantor agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Grantor agrees not to apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of the Bank.
4. The security and/or rights hereby granted shall extend to and include all present and future acquired quota/licence rights issued by the Board to the Grantor, whether issued under the above quota/licence number or under any other such number.

RESOLUTION AUTHORIZING EXECUTION OF GENERAL SECURITY AGREEMENT

"RESOLVED THAT:

- (a) The President, John Henriques and the XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX hereby authorized for and on behalf of the Corporation to execute and deliver to The Toronto-Dominion Bank a General Security Agreement substantially in the form of the General Security Agreement (attached hereto and initialled by the Secretary for identification) presented to the directors, with such alterations, amendments, deletions or additions as may be approved by the persons executing the same and their execution shall be conclusive evidence of such approval and that the General Security Agreement so executed is the General Security Agreement authorized by this Resolution.
- (b) Any officer or director be and is hereby authorized to execute and deliver on behalf of the Corporation all such other documents and writings and to do such other acts and things as may be necessary or desirable for fulfilling the Corporation's obligations under the General Security Agreement."

CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a Resolution duly passed by the Directors of IMAGES LIFE MEDIA INC.

on the 24 day of December, 2020 and that the said Resolution is now in full force and effect.



Secretary John Henriques, President

C/S

This is Exhibit "E" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

LRO # 80 Charge/Mortgage

Received as AT5611674 on 2020 12 30 at 15:19

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 3

Properties

PIN 21241 - 0192 LT Interest/Estate Fee Simple
 Description PT LT 4-5 PL D227 TORONTO AS IN CT378711; CITY OF TORONTO
 Address 113 WALNUT AVE
 TORONTO

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 2531509 ONTARIO INC.
 Address for Service 115 Walnut Avenue
 Toronto, Ontario
 M5V 2S1

I, John Henriques, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name THE TORONTO-DOMINION BANK
 Address for Service 2 St. Clair Avenue East, Suite 500
 Toronto, Ontario
 M4T 2T5

Statements

Schedule: See Schedules

Provisions

Principal \$3,250,000.00 Currency CDN
 Calculation Period See Schedule
 Balance Due Date ON DEMAND
 Interest Rate See Schedule
 Payments
 Interest Adjustment Date 2020 12 30
 Payment Date
 First Payment Date
 Last Payment Date
 Standard Charge Terms 8520
 Insurance Amount See standard charge terms
 Guarantor John Henriques

Signed By

Michelle Rachel Frost 1 Adelaide Street E., Suite 801 acting for Signed 2020 12 30
 Toronto Chargor(s)
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

GARFINKLE, BIDERMAN LLP 1 Adelaide Street E., Suite 801 2020 12 30
 Toronto
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

Statutory Registration Fee

\$65.30

LRO # 80 Charge/Mortgage

Received as AT5611674 on 2020 12 30 at 15:19

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 3

Fees/Taxes/Payment

Total Paid \$65.30

File Number

Chargee Client File Number : 10036-017(MRF/NGW)



Schedule 1

Form 5 - Land Registration Reform Act, 1984

S 106

Page 2 of _____

Additional Property Identifier(s) and/or Other Information

This is a Schedule to a Charge made between
and THE TORONTO-DOMINION BANK.

Box (9)(h) The Chargor hereby agrees to pay interest on the Principal Amount at the following Interest Rate:

- the Bank's Prime Rate plus 0.750 % per annum. "Prime Rate" means the rate of interest per annum established and reported by the Bank to the Bank of Canada from time to time as a reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada.

Box (9)(c) Interest at the Interest Rate aforesaid is calculated and payable monthly, not in advance, before and after demand, default and judgment. Interest is payable on overdue interest and on Indebtedness payable under this Charge at the aforesaid Interest Rate. Any payment appropriated as a permanent reduction of this Charge shall be first applied against interest accrued hereunder.

FOR OFFICE
USE ONLY

Standard Charge Terms
Filing No. 8520
Land Registration Reform Act, 1984

This set of **STANDARD CHARGE TERMS** shall be deemed to be included in every Charge in which the set is referred to by its filing number, as provided in section 9 of the above Act.

1. Definitions

In this set of Standard Charge Terms:

- (a) **Bank** means The Toronto-Dominion Bank.
- (b) **Charge** means this Charge/Mortgage of Land made pursuant to the Land Registration Reform Act, 1984 and any amendments thereto, to which the Chargor and the Chargee are parties and which is dated as of the Date of Signature of the first named Chargor who signs the Charge.
- (c) **Chargee** means the Bank.
- (d) **Chargor** means each Chargor described in this Charge.
- (e) **Costs** means the fees, costs, charges and expenses of the Bank of and incidental to:
 - (i) the preparation, execution and registration of the Charge and any other instruments connected herewith;
 - (ii) the collection, enforcement, realization of the security herein contained;
 - (iii) procuring payment of the Indebtedness due and payable hereunder, including foreclosure, power of sale or execution proceedings commenced by the Bank or any other party;
 - (iv) any inspection required to be made of the Property;
 - (v) all necessary repairs required to be made to the Property;
 - (vi) the Bank's having to go into possession of the Property and secure, complete and equip the building or buildings in any way in connection therewith;
 - (vii) the Bank's renewal of any leasehold interest;
 - (viii) the exercise of any of the powers of a receiver contained herein; and
 - (ix) all solicitor's costs, costs and expenses of any necessary examination of the title to and of valuation of the Property.
 Costs shall:
 - (i) extend to and include legal costs incurred by the Bank as between solicitor and his own client;
 - (ii) be payable forthwith by the Chargor; and
 - (iii) be a charge on the Property.
- (f) **Fixtures** include, but are not limited to, furnaces, boilers, oil burners, stokers, water heaters, electric light fixtures, screen and storm doors and windows, air conditioning, plumbing, cooling and heating equipment and all apparatus and equipment appurtenant to the Property.
- (g) **Indebtedness** means all monies and liabilities matured or not, whether present or future, direct or indirect, absolute or contingent, now or at any time hereafter owing or incurred, wheresoever or howsoever incurred from or by the Chargor, as principal or surety, whether alone or jointly with any other person and in whatever name style or firm, whether otherwise secured or not and whether arising from dealings between the Bank and the Chargor or from other dealings or proceedings by which the Bank may become a creditor of the Chargor including, without limitation, advances upon overdrawn accounts or upon bills of exchange, promissory notes or other obligations discounted for the Chargor or otherwise, all bills of exchange, promissory notes and other obligations negotiable or otherwise representing money and liabilities, or any portion thereof, now or hereafter owing or incurred from or by the Chargor and all interest, damages and Costs, and all premiums of insurance upon the buildings, Fixtures and improvements now or hereafter brought or erected upon the said Property which may be paid by the Bank and Taxes.
- (h) **Interest Rate** means the Interest Rate set out in Schedule I to this Charge.
- (i) **Principal Amount** means the Principal Amount in lawful money of Canada set out in this Charge.
- (j) **Property** means the property identified in this Charge by the Property Identifier(s) and described in the Description therein and in a Schedule to this Charge, if required, and includes all buildings, Fixtures and improvements now or hereafter brought or erected thereon.

- (k) **Spouse of Chargor** means each Spouse of Chargor described in this Charge.
- (l) **Taxes** means all taxes, rates and assessments, municipal, local, parliamentary or otherwise.

If the Property is a condominium unit, the following definitions apply:

- (m) **Condominium Corporation** means the Condominium Corporation which was created by the registration of the Declaration and the description relating thereto of which the Property hereby charged constitutes a part.
- (n) **Common Expenses** means the expenses of the performance of the objects and duties of the Condominium Corporation and any expenses specified as common expenses in the Condominium Act (Ontario), as amended from time to time or in the Declaration.
- (o) **Declaration** means the Declaration which, together with a description, was registered pursuant to the Condominium Act, to create the Condominium Corporation.

2. Charge of Property

The Chargor has, at the request of the Bank, agreed to give this Charge as a CONTINUING COLLATERAL SECURITY for payment to the Bank ON DEMAND of the Indebtedness, provided that such security be limited to the Principal Amount plus Costs with interest thereon at the Interest Rate. Interest at the Interest Rate is calculated and payable monthly, not in advance, before and after demand, default and judgment, with interest on overdue interest and on all other amounts charged to the Chargor hereunder at the Interest Rate. The Chargor,

- (a) if the Property is a freehold property, hereby charges the Property to the Bank; or
- (b) if the Property is a leasehold interest, hereby charges and subleases the Property to the Bank for and during the unexpired residue of the term of the lease, except the last day thereof, and all other estate, term, right of renewal and other interest of the Chargor in the lease;

to secure the repayment of the Indebtedness and the performance of all of the obligations of the Chargor contained herein. The Chargor hereby releases to the Bank all its claims upon the Property until the Chargor has repaid the Indebtedness and performed all of the obligations of the Chargor in the manner provided by this Charge.

3. Covenants of the Chargor

The Chargor hereby covenants with the Bank that:

- (a) The Chargor will ON DEMAND pay the Indebtedness and observe all provisos, conditions and agreements contained herein;
- (b) The Chargor has a good title in fee simple to the Property (unless the Chargor is a lessee of the Property), save and except prior registered encumbrances;
- (c) The Chargor has the right to charge the Property to the Bank;
- (d) On default, the Bank shall have quiet possession of the Property, free from all encumbrances, save as aforesaid;
- (e) Covenant 1.vii, deemed to be included in this Charge by subsection 7(1) of the Land Registration Reform Act, 1984 is hereby expressly varied by providing that the Chargor will, before or after default, execute such further assurances of the Property and do such other acts, at the Chargor's expense, as may be reasonably required;
- (f) The Chargor will insure the Property to an amount of not less than the Principal Amount PROVIDED that if and whenever such amount be greater than the insurable value of the buildings, Fixtures and improvements now or hereafter brought or erected upon the Property, such insurance shall not be required in any greater amount than such insurable value and if and whenever the same shall be less than the insurable value the Bank may require such insurance to the full replacement value. It is further agreed that the Bank may require any insurance hereunder to be cancelled and new insurance effected by an insurer to be approved by it and also may of its own accord effect or maintain any insurance herein provided for and any amount paid by the Bank therefor shall be payable forthwith to the Bank with interest at the Interest Rate by the Chargor and shall be a charge upon the Property;
- (g) The Chargor will in each year within ten (10) days after the Taxes become due and payable produce to and leave with the Bank the duly receipted tax bills for that year covering the Property;
- (h) This Charge shall be void UPON REPAYMENT of the Indebtedness upon demand; or without demand, UPON PERMANENT REPAYMENT of the Indebtedness, with written notice to such effect to the Bank. The Chargor releases to the Bank all the Chargor's claims upon the Property subject to this paragraph; and
- (i) The Chargor agrees to assign to the Bank forthwith upon the request of the Bank as additional security for payment of the Indebtedness and the performance of the covenants herein contained, any present or future lease which may be granted by the Chargor as to the whole or any portion of the Property and agrees to deliver to the Bank executed copies of all such leases at the written request of the Bank. The Chargor covenants to perform and comply with all lessor's covenants contained in any leases assigned by the Chargor to the Bank. Notwithstanding the assignment or assignments of any lease or leases by the Chargor to the Bank, it is nevertheless declared and agreed that none of the rights or remedies of the Bank under this Charge shall be delayed or in any way hindered or prejudiced by such assignment or assignments or by any act of the Bank pursuant thereto.

4. Additional Covenants if Property is a Leasehold Interest

The Chargor covenants with the Bank that:

- (a) The Chargor has a good leasehold title to the Property;
- (b) The Chargor has a right to charge and sublet the leasehold title to the Property to the Bank in the manner herein provided, and, if required, has obtained the lessor's consent to this Charge;
- (c) Neither the Chargor nor any other person has heretofore made, done, committed or suffered any act to encumber the lease or any part thereof;
- (d) The lease is a good, valid and subsisting lease and not surrendered, forfeited, amended or become void or voidable and the rents and covenants reserved have been duly paid and performed by the Chargor up to the Date of Signature of the Chargor;
- (e) During the continuance of this Charge, the Chargor will not amend, surrender or modify the lease without the written consent of the Bank and will pay the rent reserved by the lease and perform and observe the covenants, provisos and conditions contained in the lease and on the lessee's part to be performed and observed and hereby agrees to keep the Bank indemnified against all actions, claims and demands whatsoever in respect of the said rent and covenants or anything relating thereto; and
- (f) The Chargor will stand possessed of the Property for the last day of the term or any renewal term granted by the lease in trust for the Bank, and will assign and dispose thereof as the Bank may direct, but subject to the same right of redemption and other rights as are hereby given to the Chargor with respect to the derivative term hereby granted.

5. Repair and Maintenance of Property

The Chargor covenants with the Bank that the Chargor will keep the Property in good condition and repair. The Bank may, whenever it deems it necessary, by its agent enter upon and inspect the Property and the Chargor shall pay the Costs associated therewith. If the Chargor or anyone claiming under him neglects to keep the Property in good condition and repair or commits any act of waste on the Property or does anything by which the value of the Property shall be diminished, as to all of which the Bank shall be sole judge, or makes default as to any of the covenants or provisos herein contained, the Indebtedness shall, at the option of the Bank, forthwith become due and payable. In default of payment thereof the powers of entering upon and leasing or selling hereby given may be exercised forthwith, and the Bank may make such repairs as it deems necessary and the Costs thereof shall be paid by the Chargor.

6. Obligation to Build Diligently

The Chargor covenants with the Bank that if the Chargor fails at any time for a period of ten days to diligently carry on the work of construction of any building or buildings being or to be erected on the Property or, without the consent in writing of the Bank, departs in such construction from any plans and specifications thereof which must be approved by the Bank or from the generally accepted standards of construction in the locality of the Property, or permits any construction or other lien to be registered against the Property for any period exceeding thirty days, the Bank at its option at any time thereafter through its agents or contractors may enter the Property and have exclusive possession thereof and of all materials, plant, gear and equipment thereon free of interference from or by the Chargor and complete the construction of the building or buildings either according to the said plans and specifications or according to other plans, specifications or design as the Bank in its absolute discretion shall elect. All Costs in connection therewith shall be payable by the Chargor.

7. Remedies on Default of Chargor

It is hereby provided that:

(a) Power to Lease or Sell Property

The Bank on default of payment of the Indebtedness or any portion thereof for the minimum default period on giving the minimum notice, according to applicable law, may enter on, lease or sell the Property. Provided further that on default of payment for the minimum default period, according to applicable law, the foregoing power of entry, leasing and selling may be exercised by the Bank without any notice whatsoever.

(b) Rights of Bank in Sale of Property

- (i) The Bank in the event of default by the Chargor in payment of the Indebtedness or any portion thereof may sell the Property or any part thereof or, if the Property is a leasehold interest, sell the unexpired term of years demised by the lease or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor and on such terms as to credit and otherwise and with such conditions of sale as it shall in its discretion deem proper, and in the event of any sale on credit or for cash or for part cash and part credit, the Bank shall not be accountable for or be charged with any monies until actually received by it. The Bank may rescind or vary any contract or sale and may buy in and re-sell the Property or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder, but the Bank alone shall be responsible. The Bank may sell without entering into actual possession of the Property and while in possession shall be accountable only for monies which are actually received by it and sales may be made by it from time to time of parts of the Property to satisfy any portion of the Indebtedness, leaving the residue thereof secured hereunder on the remainder of the Property, or may take proceedings to sell and may sell the Property or any portion of the Property subject to the balance of the Indebtedness not yet due at the time of the said sale.

- (ii) Disposition of Leasehold Property - If the Property is a leasehold interest, the Chargor hereby irrevocably appoints the Bank as the Chargor's substitute to be the Chargor's attorney during the continuance of this security. In the event of default and on giving the notice contemplated herein to the Chargor for and on behalf of the Chargor, the Bank may assign the lease and convey the Property and the last day of the term granted by the lease as the Bank shall at any time direct, and in particular, upon any sale made by the Bank under the statutory power or power of sale herein contained, to assign the lease and convey the Property and the said reversion to the purchaser. It is hereby declared that the Bank or other person for the time being entitled to the Indebtedness may at any time, by deed, remove the Chargor or any other person from being a trustee of the lease under the declaration of trust hereinbefore declared and on the removal of the Chargor or any future trustee of the lease, appoint a new trustee or trustees in the Chargor's place.
 - (iii) If the Property is a leasehold interest, the Chargor will, with respect to the lease, at the request of the Bank, but at the cost, charge and expense of the Chargor, grant and assign unto the Bank, or the person whom it may appoint, the last day of the said term hereinbefore excepted or any renewal or substituted term; and further, in the event of the Bank making any sale under the power of sale herein contained the Chargor shall stand seized and possessed of the Property for the last day of the said term hereinbefore excepted, and of any renewal or substituted term, and of all rights of renewal in trust for the purchaser or purchasers, his or their heirs, executors, administrators, successors and assigns.
- (c) **Costs of Sale of Property**

The Costs of any sale proceedings hereunder, whether such sale proves abortive or not, incurred in taking, recovering or keeping possession of the Property or in enforcing the personal remedies under this Charge or by reason of non-payment or in procuring payment of the Indebtedness shall be payable by the Chargor whether any action or proceeding has commenced or not.

8. Appointment of Receiver

If the Chargor shall be in default in the observance or performance of any of the terms, conditions, covenants or payments described herein or in any additional or collateral security given by the Chargor to the Bank then the Bank may in writing, appoint any person, whether an officer or employee of the Bank or not, to be a receiver of the Property and the rents and profits derived therefrom, and may remove the receiver so appointed and appoint another in his stead. The term "receiver" as used in this Charge includes a receiver and manager. The following provisions shall apply to this paragraph:

- (a) The receiver so appointed is conclusively the agent of the Chargor and the Chargor shall be solely responsible for the acts or defaults and for the remuneration and expenses of the receiver. The Bank shall not be responsible in any way for any misconduct or negligence on the part of the receiver and may, from time to time, fix the remuneration of the receiver and be at liberty to direct the payment thereof from proceeds collected;
- (b) Nothing contained herein and nothing done by the Bank or by the receiver shall render the Bank a mortgagee in possession or responsible as such;
- (c) All monies received by the receiver, after providing for payment and charges ranking prior to this Charge and for all applicable Costs shall be applied in or towards satisfaction of the remaining Indebtedness;
- (d) The receiver so appointed shall have power to:
 - (i) take possession of the Property, collect rents and profits and realize upon additional or collateral security granted by the Chargor to the Bank and for that purpose may take any proceedings, be they legal or otherwise, in the name of the Chargor or otherwise;
 - (ii) carry on or concur in carrying on the business which the Chargor is conducting on and from the Property and for that purpose may borrow money on the security of the Property in priority to this Charge; and
 - (iii) lease all or any portion of the Property and for this purpose execute contracts in the name of the Chargor which said contracts shall be binding upon the Chargor;
- (e) The rights and powers conferred herein are supplemental to and not in substitution for any rights which the Bank may have from time to time.

9. Taking Possession of Personal Property

The Bank may distrain for arrears of any portion of the Indebtedness. The Chargor hereby waives the right to claim exemption and agrees that the Bank shall not be limited to the amount for which it may distrain.

10. Quiet Possession

Until default of payment the Chargor shall have quiet possession of the Property.

11. Release of Property by Bank

It is hereby agreed by the Chargor that the Bank may at its discretion at all times release any part or parts of the Property or any other security or any surety for the Indebtedness or any portion thereof either with or without any sufficient consideration therefor, without responsibility therefor and without thereby releasing any other part of the Property or any person from this Charge or from any of the covenants herein contained and without being accountable to the Chargor for the value thereof or for any money except that actually received by the Bank, it being expressly agreed that every part or lot into which the Property is or may hereafter be divided does and shall stand charged with the whole of the Indebtedness.

No extension of time given by the Bank to the Chargor, or any one claiming under the Chargor or any other dealing by the Bank with the owner or owners of the Property or of any part thereof shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable for the payment of the Indebtedness or any portion thereof.

12. Payment of Other Charges and Performance of Other Obligations by Bank

The Chargor hereby agrees that:

- (a) The Bank may satisfy any charge now or hereafter existing or to arise or be claimed upon the Property and the amount so paid shall be added to the Indebtedness and bear interest at the Interest Rate and shall be payable forthwith by the Chargor to the Bank and in default of payment, the Indebtedness shall become payable and the powers of sale hereby given may be exercised forthwith without any notice. And in the event of the Bank satisfying any such charge or claim, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge or cessation of charge unregistered until paid; and
- (b) If the Property is a leasehold interest, and if the Chargor shall refuse or neglect to renew the lease or any renewals thereof granted hereafter, then, and as often as it shall happen, the Bank may, effect such renewals in its own name or otherwise, and every renewal of the lease and the Property thereby demised shall remain and be security to the Bank for the Indebtedness. All Costs in connection therewith shall be payable by the Chargor.

13. Sale or Transfer of Property by Chargor

The Chargor covenants and agrees with the Bank that:

- (a) The Chargor will not without the prior consent in writing of the Bank, sell, transfer or otherwise dispose of the Property or any portion thereof or any interest therein; and, in the event of such sale, transfer or other disposition, without the consent of the Bank, the Indebtedness hereby secured shall, at the option of the Bank, forthwith become due and payable; and
- (b) If the Property is a leasehold interest, no sale or other dealing by the Chargor with the lease or the Property or any part thereof or any other dealing by the Bank with the lease or the Property or any part thereof, shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable to repay the Indebtedness hereby secured.

14. Charge Not a Substitute For Any Other Security

It is hereby expressly agreed by the Chargor that this Charge shall not create any merger, rebate or discharge of any debt owing to the Bank or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Bank, whether from the Chargor or any other party or parties whomsoever and this Charge shall not in any way affect any security held or which may hereafter be held by the Bank for the Indebtedness or any portion or portions thereof or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Bank for or on account of the Indebtedness or any portion or portions thereof nor shall the remedies of the Bank in respect thereof be affected in any manner whatsoever.

15. Judgments

The taking of a judgment or judgments against the Chargor on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Bank's rights to interest on the Indebtedness at the Interest Rate, and further that any such judgment may provide that interest thereon shall be computed at the Interest Rate until such judgment shall have been fully paid and satisfied.

16. Bank May Appropriate Payments to Any Debt

It is hereby agreed that the Bank shall have the right at any time to appropriate any payment made as a temporary or permanent reduction of any portion of the Indebtedness whether the same be represented by open account, overdraft or by any bills, notes or other instruments and whether then due or to become due and may from time to time revoke or alter such appropriation and appropriate such payment as a temporary or permanent reduction of any other portion of the Indebtedness as in its sole and uncontrolled discretion it may see fit.

17. Charge Continuing Security

It is hereby agreed that this Charge may secure a current or running account and shall stand as a continuing security to the Bank for the payment of the Indebtedness and all interest, damages and Costs which may become due or payable to the Bank notwithstanding any fluctuation or change in the amount, nature or form of the Indebtedness or in the bills, notes or other obligations now or hereafter representing the same or any portion thereof or in the names of the parties to the said bills, notes or obligations or any of them.

18. Additional Covenants if Property is a Condominium Unit

The Chargor covenants with the Bank that:

- (a) The Chargor will promptly observe and perform all obligations imposed on the Chargor by the Condominium Act as enacted from time to time, and by the Declaration, the By-laws and the Rules, as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Property. Any breach of the said duties and obligations shall constitute a breach of covenant under this Charge;
- (b) Without in any way limiting or restricting the generality of the foregoing:
 - (i) The Chargor will pay promptly when due any contributions to Common Expenses required of the Chargor as an owner of the Property;
 - (ii) The Chargor will transmit to the Bank forthwith upon the demand of the Bank satisfactory proof that all Common Expenses assessed against or in respect of the said Property have been paid as assessed;
 - (iii) The Bank may put out of and deduct from any advance of the Principal Amount secured hereunder all contributions to the Common Expenses assessed against or in respect of the said Property which have become due and payable and are unpaid at the date of such advance; and
 - (iv) Whenever and so long as the Bank so requires the Chargor shall on or before the date when any sum becomes payable by the Chargor in respect of Common Expenses pay such sum to the Bank. The Bank shall forthwith on receipt thereof remit all such sums to the Condominium Corporation on behalf of the Chargor or as the Condominium Corporation may from time to time direct;
- (c) The Bank by accepting delivery of and registering this Charge authorizes and empowers the Chargor to vote or consent or not to consent respecting all matters relating to the affairs of the relevant Condominium Corporation provided that:
 - (i) The Bank may at any time upon written notice to the Chargor and the Condominium Corporation revoke this authorization;
 - (ii) The Bank shall not be under any obligation to vote or consent or not to consent as aforesaid to protect the interest of the Chargor; and
 - (iii) The exercise by the Bank of its right to vote or consent or not to consent as aforesaid shall not constitute the Bank a mortgagee in possession.

19. Assignment of Rents

The Chargor hereby agrees with the Bank as follows:

- (a) The Chargor hereby assigns and sets over to the Bank all rents payable from time to time under all leases of the Property or any part thereof, whether presently existing or arising in the future, together with the benefit of all covenants, agreements and provisos contained in the said leases, in favour of the Bank;
- (b) Forthwith after making any lease of the Property or any part thereof the Chargor will execute and deliver to the Bank an assignment in registrable form in the Bank's usual form of all rents payable under such lease, the benefit of all covenants, agreements and provisos therein contained on the part of the tenant to be observed and performed and the reversion of such lease, and will also execute and deliver to the Bank all such notices and other documents as may be required in order to render such assignment effectual in law;
- (c) Nothing herein contained shall make the Bank responsible for the collection of rents payable under any lease of the Property or any part thereof or for the performance of any covenants, terms or conditions contained in any such lease;
- (d) The Bank shall not by virtue of these presents be deemed a mortgagee in possession of the Property;
- (e) The Bank shall be liable to account for only such rents as actually come into its hands less reasonable collection charges in respect thereof and may apply such rents to the repayment of the Indebtedness; and
- (f) Notwithstanding anything herein contained no lease of the Property or any part thereof made by the Chargor without the consent in writing of the Bank shall have priority over this Charge.

20. Interpretation and Headings

It is hereby agreed that wherever in this Charge the word "Chargor" is used the same shall extend to and include the heirs, executors, administrators, successors and assigns of the Chargor, and wherever in this Charge the word "Bank" is used the same shall extend to and include the successors and assigns of the Bank and wherever the singular or masculine is used the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this document and have been inserted for convenience of reference only.

21. Condominium Act

If the Property is a condominium unit, this Charge is made pursuant to the Condominium Act.

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 4

Properties

PIN 21241 - 0192 LT
Description PT LT 4-5 PL D227 TORONTO AS IN CT378711; CITY OF TORONTO
Address 113 WALNUT AVE
 TORONTO

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name 2531509 ONTARIO INC.
Address for Service 115 Walnut Avenue
 Toronto, Ontario
 M5V 2S1

I, John Henriques, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s)*Capacity**Share*

Name THE TORONTO-DOMINION BANK
Address for Service 2 St. Clair Avenue East, Suite 500
 Toronto, Ontario
 M4T 2T5

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, AT5611674 registered on 2020/12/30 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Michelle Rachel Frost 1 Adelaide Street E., Suite 801 acting for Signed 2020 12 30
 Toronto Applicant(s)
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

I have the authority to sign and register the document on behalf of all parties to the document.

Michelle Rachel Frost 1 Adelaide Street E., Suite 801 acting for Signed 2020 12 30
 Toronto Party To(s)
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

GARFINKLE, BIDERMAN LLP 1 Adelaide Street E., Suite 801 2020 12 30
 Toronto
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

Statutory Registration Fee \$65.30

Total Paid \$65.30

File Number

Party To Client File Number : 10036-017(MRF/NGW)



This agreement and assignment is made as of the 24 day of December, 2020

BETWEEN:

2531509 ONTARIO INC.

a corporation incorporated under the laws of ONTARIO, (hereinafter called the "**Assignor**") of the first part,

- and -

The Toronto-Dominion Bank, a Canadian chartered Bank (hereinafter called the "**Assignee**") of the second part,

Whereas the Assignor is the owner of the Lands subject to the Mortgage;

And Whereas in order to secure payment of the Obligations, the Assignor has agreed to assign the Leases and Rents to the Assignee as provided herein;

Now therefore this agreement and assignment witnesses that in consideration of the premises and the covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties hereto agree as follows:

1. Interpretation

In this agreement and assignment, unless there is something in the subject matter or context inconsistent therewith,

- (a) "**Lands**" means the lands and premises described in Schedule A attached to this agreement and assignment.
- (b) "**Leases**" means:
 - (i) every existing and future lease or sublease of, and agreement to lease or sublease, the whole or any portion of the Assignor's interest in the Lands;
 - (ii) every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;
 - (iii) every existing and future indemnity or guarantee of all or any of the obligations of any existing or future Tenant of the whole or any portion of the Lands; and
 - (iv) every existing and future assignment and agreement to assume the obligations of Tenants of the whole or any portion of the Lands;
 in each case, as amended, modified, supplemented, replaced or restated from time to time.
- (c) "**Mortgage**" means a registered charge/mortgage of the Lands, in the amount of Three Million Two Hundred and Fifty Thousand Dollars (\$3,250,000.00) from the Assignor to the Assignee, which was signed, or for which an Acknowledgement and Direction was signed, on December 24, 2020 and any amendments or modifications thereto and any mortgage or mortgages made or take in substitution thereof.
- (d) "**Obligations**" means the indebtedness and liability of the Assignor to the Assignee that is secured by the Mortgage.
- (e) "**Rents**" means all rents and other monies now due and payable or hereafter to become due and payable and the benefit of all covenants of Tenants, indemnitors and guarantors, under or in respect of the Leases.
- (f) "**Tenant**" means any lessee, sublessee, licensee or grantee of a right of use or occupation under a Lease and that person's successors and permitted assigns.

2. Assignment

As continuing collateral security for payment of the Obligations, the Assignor hereby assigns to the Assignee and creates a security interest in all of the Assignor's right, title, benefit and interest in and to the following:

- (a) the Leases and all benefits, powers, options and advantages of the Assignor to be derived therefrom and all covenants, obligations, undertakings and agreements of Tenants, thereunder; and
- (b) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment of the Rents and performance of the obligations of the Tenants, indemnitors and guarantors under the Leases in the name of the Assignor or the owner from time to time of the Lands.

3. Representations and Covenants of the Assignor

The Assignor hereby represents to, and covenants and agrees with, the Assignee that:

- (a) none of the Rents has been or will be paid more than one month in advance (except, if so provided in the Lease, for payment of rent for the last month of the term);
- (b) there has been no default of a material nature under any of the existing Leases which has not been remedied by any of the parties thereto;
- (c) it will observe and perform all of its obligations under each of the Leases and will not do or permit to be done anything that could reasonably be expected to adversely affect the enforceability of any Lease;
- (d) it will not surrender or materially modify, alter or amend any Lease or consent to an assignment of the Tenant's interest under any Lease without first obtaining the consent in writing of the Assignee;
- (e) it will not at any time assign, grant a security interest in or otherwise encumber its interest under any Lease or the Rents due or to become due thereunder, or any part thereof, other than to the Assignee; and
- (f) it will not lease or agree to lease any of the Lands except at a rent and on terms and conditions which a prudent landlord would expect to receive for such premises, and except to Tenants to whom a prudent landlord would rent the particular premises.

4. Dealing with Rents by the Assignor

Subject to paragraph 3(a) above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of the particular Lease unless and until the Assignor is in default in payment of any of the Obligations or in observing or performing any covenant, obligation or condition under this agreement and assignment or any other agreement collateral hereto. After the occurrence and during the continuation of a default, the Assignee may deliver a written notice to any Tenant under any of the Leases directing it to pay the Rents payable under its Lease to the Assignee, and such notice shall be good and sufficient authority for the Tenant in so doing.

5. Rights and Duties of the Assignee

Nothing contained herein or in any statute shall have the effect of making the Assignee, its successors or assigns, responsible for the collection of any Rents or for the observance or performance of any covenant, obligation or condition under any of the Leases to be observed or performed by the Assignor, and the Assignee shall not, by virtue of this agreement and assignment or its receipt of any Rents, become or be deemed a mortgagee in possession of the Lands, and the Assignee shall not be under any obligation to take any action or exercise any remedy for the collection or recovery of any Rents or to enforce the performance of the obligations of any person under or in respect of any of the Leases; and the Assignee shall be liable to account only for such Rents as it shall actually receive, less all costs and expenses incurred by the Assignee in the collection thereof.

6. Further Assurances

The Assignor hereby agrees to execute such further documents and instruments and to do all such further acts and things as may be reasonably required by the Assignee from time to time to perfect and to carry out the purpose and intent of this agreement and assignment.

7. Additional Continuing Security


This agreement and assignment is being taken as additional collateral security for payment of the Obligations, and none of the rights or remedies of the Assignee under the Mortgage or any other security held by the Assignee shall be delayed or in any way prejudiced by the entering into of this agreement and assignment; and following delivery by the Assignee to the Assignor of a discharge of the Mortgage this agreement and assignment shall be of no further force or effect.

8. Indemnity

The Assignor shall reimburse, indemnify and hold harmless the Assignee for and from any and all expenses, losses, damages and liabilities which the Assignee may reasonably incur by reason of this agreement and assignment and the exercise by or on behalf of the Assignee of any rights under this agreement and assignment.

9. Benefit of this Agreement

This agreement and assignment shall enure to the benefit of the successors and assigns of the Assignee and Assignor. This agreement and assignment has been executed by the Assignor by its duly authorized officers as of the date first above written.

Per:  _____

Name: 2531509 ONTARIO INC. Office: President

Per: _____

Name: _____ Office: _____

Part Lot 4 - 5 on Plan D227, Toronto as in CT378711; City of Toronto, municipally known as 113 & 115 Walnut Avenue, Toronto, Ontario.

This is Exhibit "F" referred to
in the Affidavit of Abner Pennings

Sworn this 28th

day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



This **Guarantee** is made as of the 24 day of December, 2020.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of
2531509 ONTARIO INC.

(the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;

- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

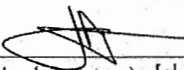
This Guarantee shall be governed by and construed in accordance with the laws of the Province of [Ontario] and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

IMAGES LIFE MEDIA INC.

Per: 
(authorized signature) John Henriques, President

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____



I HEREBY CERTIFY THAT:

1. _____
the guarantor in the guarantee dated _____
made between

_____ and The Toronto-Dominion Bank, which this certificate is attached to or noted on, appeared in person before me and acknowledged that he/she had executed the guarantee.

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

CERTIFIED by _____
Barrister and Solicitor at the _____ of _____,
in the Province of Alberta, this _____ day of _____, 20__.

Signature

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor



ACKNOWLEDGMENT OF GUARANTEE
(Section 31)

CERTIFICATE OF LAWYER OR NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. _____ of _____ in the province of _____, the guarantor in the guarantee dated _____ made between The Toronto-Dominion Bank and _____, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;
2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it;
3. I have not prepared any documents on behalf of the creditor, The Toronto-Dominion Bank, relating to the transaction and I am not otherwise interested in the transaction;
4. I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at _____ this _____ day of _____, 20____, under my hand and seal of office.

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

A LAWYER OR A NOTARY PUBLIC IN
AND FOR _____

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor



This **Guarantee** is made as of the 24 day of December, 2020.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of IMAGES LIFE MEDIA INC. (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;

- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of [Ontario] and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

2531509 ONTARIO INC.

Per: [Signature]
(authorized signature) John Henriques, President

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____



I HEREBY CERTIFY THAT:

1. _____,
the guarantor in the guarantee dated _____
made between

_____ and The Toronto-Dominion Bank, which this certificate is attached to or noted on, appeared in person before me and acknowledged that he/she had executed the guarantee.

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

CERTIFIED by _____,
Barrister and Solicitor at the

_____ of _____,
in the Province of Alberta, this _____ day of _____, 20__.

Signature

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor



ACKNOWLEDGMENT OF GUARANTEE
(Section 31)

CERTIFICATE OF LAWYER OR NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. _____ of _____ in the province of _____, the guarantor in the guarantee dated _____ made between The Toronto-Dominion Bank and _____, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;
2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it;
3. I have not prepared any documents on behalf of the creditor, The Toronto-Dominion Bank, relating to the transaction and I am not otherwise interested in the transaction;
4. I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at _____ this _____ day of _____, 20____, under my hand and seal of office.

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

A LAWYER OR A NOTARY PUBLIC IN
AND FOR _____

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor

This is Exhibit "G" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



This **Guarantee** is made as of the 24 day of December, 2020.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of IMAGES LIFE MEDIA INC. AND 2531509 ONTARIO INC. (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defence (any and all such legal and equitable defences are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;

- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;
- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor, and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee, each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived, but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of [Ontario] and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

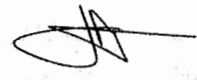
[Name of Guarantor]

Per: _____
(authorized signature)

Per: _____
(authorized signature)

Personal Guarantee

Signature of Guarantor: _____



Print name: JOHN HENRIQUES

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____

Personal Guarantee

Signature of Guarantor: _____

Print name: _____



I HEREBY CERTIFY THAT:

1. _____
the guarantor in the guarantee dated _____
made between

_____ and The Toronto-Dominion Bank, which this certificate is attached to or noted on, appeared in person before me and acknowledged that he/she had executed the guarantee.

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

CERTIFIED by _____
Barrister and Solicitor at the
_____ of _____
in the Province of Alberta, this _____ day of _____, 20__.

Signature

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor



ACKNOWLEDGMENT OF GUARANTEE

(Section 31)

CERTIFICATE OF LAWYER OR NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. _____ of _____ in the province of _____, the guarantor in the guarantee dated _____ made between The Toronto-Dominion Bank and _____, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;
2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it;
3. I have not prepared any documents on behalf of the creditor, The Toronto-Dominion Bank, relating to the transaction and I am not otherwise interested in the transaction;
4. I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at _____ this _____ day of _____, 20____, under my hand and seal of office.

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

A LAWYER OR A NOTARY PUBLIC IN
AND FOR _____

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Signature of Guarantor

This is Exhibit "H" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

REPORT : PSSR060
PAGE : 1
(10868)

141

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.

FILE CURRENCY : 05APR 2023

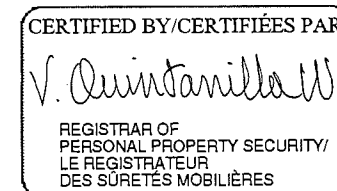
ENQUIRY NUMBER 20230406152757.24 CONTAINS 10 PAGE(S), 3 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

CYBERBAHN - PAOLA SCARCELLO
199 BAY STREET
TORONTO ON M5L 1E9

CONTINUED...

2



(crtjg 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(10869)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
768809916

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
X	01	001		20201223 1701 1462 4793	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME IMAGES LIFE MEDIA INC. ONTARIO CORPORATION NO. ON M6J1C9
04 ADDRESS 822 RICHMOND STREET WEST, SUITE 203 TORONTO

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME 2531509 ONTARIO INC. ONTARIO CORPORATION NO. ON M5V2S1
07 ADDRESS 115 WALNUT AVENUE TORONTO

08 SECURED PARTY / LIEN CLAIMANT THE TORONTO-DOMINION BANK (BRANCH #1968)

09 ADDRESS 2 ST. CLAIR AVENUE EAST, SUITE 500 TORONTO ON M4T2T5

COLLATERAL CLASSIFICATION				MOTOR VEHICLE	AMOUNT	DATE OF	NO. FIXED
CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED	MATURITY OR MATURITY DATE
	X			X			X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL RELATES TO A GENERAL NOTICE OF ASSIGNMENT OF RENTS RELATING TO 113 &
14 COLLATERAL 115 WALNUT AVENUE, TORONTO, ONTARIO
15 DESCRIPTION

16 REGISTERING GARFINKLE, BIDERMAN LLP(10036-017 MRF/NGW)
17 AGENT ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(10870)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20210127 1402 1462 4487	
21	RECORD REFERENCED	FILE NUMBER	768809916		
22		PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	2531509 ONTARIO INC.		
25	OTHER CHANGE	REASON/ REMOVE IMAGES LIFE MEDIA INC. AS A BUSINESS DEBTOR.			
26	REASON/ DESCRIPTION				
27					
28					
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05/					
03/		BUSINESS NAME	IMAGES LIFE MEDIA INC.		
06/					
04/07	ADDRESS	822 RICHMOND STREET WEST, SUITE 203		TORONTO	ONTARIO CORPORATION NO. ON M6J1C9
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER				
	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER
				INCLUDED	AMOUNT
					DATE OF MATURITY OR MATURITY DATE
10					
	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
11					
12	GENERAL				
13	COLLATERAL				
14	DESCRIPTION				
15	REGISTERING AGENT OR	GARFINKLE, BIDERMAN LLP (MRF/NGW)			
16	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	1 ADELAIDE ST.EAST, SUITE 801		TORONTO ON M5C2V9
17					

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(cr)2fv 05/2022



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(10871)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
768809925

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
X	01	001		20201223 1701 1462 4794	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME IMAGES LIFE MEDIA INC. ONTARIO CORPORATION NO. ON M6J1C9
04 ADDRESS 822 RICHMOND STREET WEST, SUITE 203 TORONTO

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME 2531509 ONTARIO INC. ONTARIO CORPORATION NO. ON M5V2S1
07 ADDRESS 115 WALNUT AVENUE TORONTO

08 SECURED PARTY / LIEN CLAIMANT THE TORONTO-DOMINION BANK (BRANCH #1968)
09 ADDRESS 2 ST. CLAIR AVENUE EAST, SUITE 500 TORONTO ON M4T2T5

COLLATERAL CLASSIFICATION		CONSUMER	MOTOR VEHICLE				AMOUNT	DATE OF	NO FIXED
GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED		MATURITY	OR	MATURITY DATE
X	X	X	X	X	X				X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT GARFINKLE, BIDERMAN LLP (10036-017 MRF/NGW)
17 ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY /
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(10872)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
753742134

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	5		20190725 1517 5064 7813	P PPSA	05

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME IMAGES LIFE MEDIA INC. ONTARIO CORPORATION NO.
04 ADDRESS 115 WALNUT AVE TORONTO ON M5V 2S1

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT APPLE CANADA INC.
09 ADDRESS 1290 CENTRAL PARKWAY W. SUITE 1100 MISSISSAUGA ON L5C 4R3

COLLATERAL CLASSIFICATION		CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO-FIXED MATURITY DATE
						X			

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

13 GENERAL COLLATERAL DESCRIPTION ALL GOODS WHICH ARE COMMUNICATION & ELECTRONIC DEVICES MANUFACTURED, DISTRIBUTED OR SOLD BY APPLE CANADA INC. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,

14 REGISTERING AGENT SECUREFACT TRANSACTION SERVICES, INC.
15 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY /
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(erj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(10873)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
753742134

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	002	5		20190725 1517 5064 7813		

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
10								

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

13 GENERAL COLLATERAL DESCRIPTION SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY,

16 REGISTERING AGENT ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED . . . 7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF PERSONAL PROPERTY SECURITY /
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(10874)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
753742134

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	003	5		20190725 1517 5064 7813		

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS
14 COLLATERAL RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE
15 DESCRIPTION COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF

16 REGISTERING AGENT ADDRESS
17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

8

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 8
(10875)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
753742134

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	004	5		20190725 1517 5064 7813		

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02				

DEBTOR NAME	BUSINESS NAME	ADDRESS	ONTARIO CORPORATION NO.
03			
04			

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05				

DEBTOR NAME	BUSINESS NAME	ADDRESS	ONTARIO CORPORATION NO.
06			
07			

SECURED PARTY / LIEN CLAIMANT	ADDRESS
08	
09	

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED			
10					

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11			
12			

GENERAL COLLATERAL DESCRIPTION	TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9425305-001)
13	
14	
15	

REGISTERING AGENT	ADDRESS
16	
17	

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

9

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF PERSONAL PROPERTY SECURITY /
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 9
(10876)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
753742134

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	005	5		20190725 1517 5064 7813		

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ADDRESS

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF	NO-FIXED
CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY /
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152757.24

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 10
(10877)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : IMAGES LIFE MEDIA INC.
FILE CURRENCY : 05APR 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
768809916	20201223 1701 1462 4793	20210127 1402 1462 4487		
768809925	20201223 1701 1462 4794			
753742134	20190725 1517 5064 7813			

4 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crfj6 05/2022)



This is Exhibit "I" referred to
in the Affidavit of Abner Pennings
Sworn this 28th
day of June, 2023.

CLiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152822.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(10878)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 2531509 ONTARIO INC.

FILE CURRENCY : 05APR 2023

ENQUIRY NUMBER 20230406152822.36 CONTAINS 5 PAGE(S), 2 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

CYBERBAHN - PAOLA SCARCELLO

199 BAY STREET
TORONTO ON M5L 1E9

CONTINUED... 2

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj6 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152822.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(10879)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2531509 ONTARIO INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
768809916

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
X	01	001		20201223 1701 1462 4793	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME IMAGES LIFE MEDIA INC. ONTARIO CORPORATION NO.
04 ADDRESS 822 RICHMOND STREET WEST, SUITE 203 TORONTO ON M6J1C9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME 2531509 ONTARIO INC. ONTARIO CORPORATION NO.
07 ADDRESS 115 WALNUT AVENUE TORONTO ON M5V2S1

08 SECURED PARTY / LIEN CLAIMANT THE TORONTO-DOMINION BANK (BRANCH #1968)

09 ADDRESS 2 ST. CLAIR AVENUE EAST, SUITE 500 TORONTO ON M4T2T5

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
				X	X		X

11 MOTOR YEAR MAKE MODEL V-I-N.
12 VEHICLE

13 GENERAL RELATES TO A GENERAL NOTICE OF ASSIGNMENT OF RENTS RELATING TO 113 &
14 COLLATERAL 115 WALNUT AVENUE, TORONTO, ONTARIO
15 DESCRIPTION

16 REGISTERING GARFINKLE, BIDERMAN LLP(10036-017 MRF/NGW)
17 AGENT ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152822.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(10880)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2531509 ONTARIO INC.
FILE CURRENCY : 05APR 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	01	001		20210127 1402 1462 4487	
21	RECORD REFERENCED	FILE NUMBER	768809916		
22		PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	CORRECT PERIOD
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	2531509 ONTARIO INC.		
25	OTHER CHANGE REASON/ DESCRIPTION	REMOVE IMAGES LIFE MEDIA INC. AS A BUSINESS DEBTOR.			
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06		BUSINESS NAME	IMAGES LIFE MEDIA INC.		
04/07	ADDRESS	822 RICHMOND STREET WEST, SUITE 203		TORONTO	ONTARIO CORPORATION NO. ON M6JIC9
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08		ADDRESS			
09	COLLATERAL CLASSIFICATION	CONSUMER			
10		GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER
11	MOTOR VEHICLE GENERAL	YEAR	MAKE	MODEL	V.I.N.
12					
13					
14					
15	DESCRIPTION				
16	REGISTERING AGENT OR	GARFINKLE, BIDERMAN LLP (MRF/NGW)			
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	1 ADELAIDE ST.EAST, SUITE 801		TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152822.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(10881)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2531509 ONTARIO INC.
FILE CURRENCY : 05APR 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
768809925

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
X	01	001		20201223 1701 1462 4794	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME IMAGES LIFE MEDIA INC. ONTARIO CORPORATION NO. ON M6J1C9
04 ADDRESS 822 RICHMOND STREET WEST, SUITE 203 TORONTO

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME 2531509 ONTARIO INC. ONTARIO CORPORATION NO. ON M5V2S1
07 ADDRESS 115 WALNUT AVENUE TORONTO

08 SECURED PARTY / LIEN CLAIMANT THE TORONTO-DOMINION BANK (BRANCH #1968)

09 ADDRESS 2 ST. CLAIR AVENUE EAST, SUITE 500 TORONTO ON M4T2T5

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X X X X X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING GARFINKLE, BIDERMAN LLP(10036-017 MRF/NGW)
17 AGENT ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crj1fv 05/2022)



RUN NUMBER : 096
RUN DATE : 2023/04/06
ID : 20230406152822.36

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(10882)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 2531509 ONTARIO INC.
FILE CURRENCY : 05APR 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
768809916	20201223 1701 1462 4793	20210127 1402 1462 4487		
768809925	20201223 1701 1462 4794			

3 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj6 05/2022)



This is Exhibit "J" referred to
in the Affidavit of Abner Pennings

Sworn this 28th

day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

LAND
REGISTRY
OFFICE #66

21241-0192 (LT)

PREPARED FOR karen001
ON 2023/06/19 AT 08:33:16

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

PROPERTY DESCRIPTION: PT LT 4-5 PL D227 TORONTO AS IN CT378711; CITY OF TORONTO

113 Walnut Avenue, Toronto

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
2003/05/26

OWNERS' NAMES
2531509 ONTARIO INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2003/05/23 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2003/05/26 **						
CT378711	1979/09/20	TRANSFER		*** COMPLETELY DELETED ***	SINCINKIN LIMITED	
CA590036	1999/03/08	CHARGE		*** COMPLETELY DELETED ***	THE TORONTO-DOMINION BANK	
CA789934	2002/10/24	CHARGE		*** COMPLETELY DELETED ***	ROYAL BANK OF CANADA	
REMARKS: NOT EXCEEDING \$160,000						
AT1344585	2007/01/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: RE: CA590036						
AT3975102	2015/08/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
REMARKS: CA789934.						
AT4031332	2015/10/08	TRANSFER		*** COMPLETELY DELETED ***		

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

LAND
REGISTRY
OFFICE #66

21241-0192 (LT)

PREPARED FOR karen001
ON 2023/06/19 AT 08:33:16

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
				SINCINKIN LIMITED	HENRIQUES, JOAO	
	<i>REMARKS: PLANNING ACT STATEMENTS.</i>					
AT4031333	2015/10/08	CHARGE		*** COMPLETELY DELETED *** HENRIQUES, JOAO	HOME TRUST COMPANY	
AT4036251	2015/10/15	CHARGE		*** COMPLETELY DELETED *** HENRIQUES, JOAO	BINDAAS CAPITAL	
AT4204124	2016/04/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** BINDAAS CAPITAL		
	<i>REMARKS: AT4036251.</i>					
AT4206371	2016/04/29	CHARGE		*** COMPLETELY DELETED *** HENRIQUES, JOAO	OLYMPIA TRUST COMPANY OLYMPIA TRUST COMPANY	
AT4431781	2016/12/12	CHARGE		*** COMPLETELY DELETED *** HENRIQUES, JOAO	1898301 ON. LTD.	
AT4463934	2017/01/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** HOME TRUST COMPANY		
	<i>REMARKS: AT4031333.</i>					
AT4468392	2017/01/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** OLYMPIA TRUST COMPANY OLYMPIA TRUST COMPANY		
	<i>REMARKS: AT4206371.</i>					
AT4702008	2017/10/10	TRANSFER	\$2	HENRIQUES, JOAO	2531509 ONTARIO INC.	C
	<i>REMARKS: PLANNING ACT STATEMENTS.</i>					
AT4706659	2017/10/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1898301 ON. LTD.		
	<i>REMARKS: AT4431781.</i>					
AT4706660	2017/10/16	CHARGE		*** COMPLETELY DELETED *** 2531509 ONTARIO INC.	HSBC BANK CANADA	
AT4706661	2017/10/16	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2531509 ONTARIO INC.	HSBC BANK CANADA	
	<i>REMARKS: AT4706660.</i>					

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

LAND
REGISTRY
OFFICE #66

21241-0192 (LT)

PREPARED FOR karen001
ON 2023/06/19 AT 08:33:16

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT4810155	2018/02/27	CHARGE		*** COMPLETELY DELETED *** 2531509 ONTARIO INC.	JESSA, KARIM REHABILITATION BASED INITIATIVES INC.	
AT5107838	2019/04/03	CHARGE		*** COMPLETELY DELETED *** 2531509 ONTARIO INC.	COMMUNITY TRUST COMPANY	
AT5270743	2019/10/24	NOTICE		*** COMPLETELY DELETED *** 2531509 ONTARIO INC.	HSBC BANK CANADA	
		<i>REMARKS: AMENDING AT4706660</i>				
AT5274485	2019/10/29	DISCH OF CHARGE		*** COMPLETELY DELETED *** JESSA, KARIM REHABILITATION BASED INITIATIVES INC.		
		<i>REMARKS: AT4810155.</i>				
AT5304662	2019/11/27	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMMUNITY TRUST COMPANY		
		<i>REMARKS: AT5107838.</i>				
AT5611674	2020/12/30	CHARGE	\$3,250,000	2531509 ONTARIO INC.	THE TORONTO-DOMINION BANK	C
AT5611675	2020/12/30	NO ASSGN RENT GEN		2531509 ONTARIO INC.	THE TORONTO-DOMINION BANK	C
		<i>REMARKS: AT5611674.</i>				
AT5716014	2021/04/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** HSBC BANK CANADA		
		<i>REMARKS: AT4706660.</i>				
AT6155996	2022/08/11	CHARGE	\$106,000	2531509 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
AT6155997	2022/08/11	NO ASSGN RENT GEN		2531509 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
		<i>REMARKS: AT6155996</i>				



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11)

Assessment Roll Number
19-04-04-1-300-01400-0000-0 2

Issued to:
Terri Hachey
145 King St. W., Suite 2200
Toronto ON M5H 4G

Table with 2 columns: DESCRIPTION OF PROPERTY, TAX SUMMARY. Includes 2023 Taxes: 28,713.60

Your Ref. No.: 4132528
Statement Showing Taxes as at: June 19, 2023

MESSAGES

Table with 6 columns: Year, Description, Taxes, Interest, Fees, Total, Related Roll Number. Includes Outstanding Taxes for 2022 and 2023.

Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE

Table with 4 columns: Due Date, Amount Due, Description, Related Roll Number. Includes Future Installments for July, August, and September 2023.



CHANGE OF OWNERSHIP NOTICE

Cut Here
RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-04-04-1-300-01400-0000-0 2

Issued to:
Terri Hachey
145 King St. W., Suite 2200
Toronto ON M5H 4G

Your Ref. No.: 4132528

Form with sections: DESCRIPTION OF PROPERTY (113 WALNUT AVE, PLAN D227 PT LOTS 4 & 5), MESSAGES

Form with sections: CHANGES, Owner(s) (Surname, Given Name), Mailing Address, Postal Code, Property Address

*** PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU **

Closing Date

Signature



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11)

Assessment Roll Number
19-04-04-1-300-01400-0000-0 2

Issued to:
Terri Hachey
145 King St. W., Suite 2200
Toronto ON M5H 4G

Table with 2 columns: DESCRIPTION OF PROPERTY, TAX SUMMARY. Row 1: 113 WALNUT AVE, PLAN D227 PT LOTS 4 & 5. Row 2: 2023, Taxes, 28,713.60

Your Ref. No.: 4132528
Statement Showing Taxes as at: June 19, 2023

I hereby certify that the above statement shows all arrears of taxes (prior years) and unpaid current year's taxes against the above lands, and proceedings have not been commenced under the Municipal Tax Sales Act, 1990 or the Municipal Act, 2001, S.O. 2001, C.25, as amended and the City of Toronto Act 2006 S.O. 2006, C.11, unless otherwise indicated below.

THIS CERTIFICATE IS ISSUED SUBJECT TO CHEQUES TENDERED IN PAYMENT OF TAXES BEING HONOURED BY THE BANK
FEE PAID 76.43 for each separate parcel

Handwritten signature of Andrew Flynn

Andrew Flynn
Controller, City of Toronto

Important Notes:

- 1. This Certificate covers levied Tax Arrears or Current Taxes.
2. There are a variety of services which may be added to the Collector's Roll and collected as Taxes.
3. The amount of the levy does not include subsequent supplementary taxes that may be levied and added pursuant to Section 33 and 34 of the Assessment Act, R.S.O. 1990, as amended, nor does it include adjustments that may be made pursuant to Sections 357, 358 and 359 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, Sections 323, 325 and 326 of the City of Toronto Act, 2006, S.O. 2006, C. 11, Section 40 of the Assessment Act, R.S.O. as amended, or any legislative amendments that provide for further adjustments.
4. This Certificate is exclusive of any Local Improvement charges that have not been added to the Collector's Roll at the date of this Certification.
5. This certificate is subject to any apportionment which may be made pursuant to Section 356 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 322 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
6. This certificate is subject to any phase-in/capping recalculation made pursuant to Section 318 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 282 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
7. An administrative fee will be added to the account when there is an ownership transfer. For more information please visit our website at www.toronto.ca/taxes/property_tax and click to our fees page for current charges.
8. This certificate may not include any Vacant Home Tax amount that is owing and which has not yet been added to the Collector's Roll at the date of this certification. Additional information may be obtained by calling 311 within Toronto or 416-392-CITY (2489) outside City limits.



CHANGE OF OWNERSHIP NOTICE

Cut Here
RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-04-04-1-300-01400-0000-0 2

Issued to:
Terri Hachey
145 King St. W., Suite 2200
Toronto ON M5H 4G

Your Ref. No.: 4132528

Form with sections: DESCRIPTION OF PROPERTY (113 WALNUT AVE, PLAN D227 PT LOTS 4 & 5), MESSAGES

Form with sections: CHANGES, Owner(s) (Surname, Given Name), Mailing Address, Postal Code, Property Address

*** PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU **

Closing Date

Signature

This is Exhibit "K" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

From: Pennings, Abner
Sent: Thursday, April 13, 2023 3:12 PM
To: joao henriques <joao.henriques@me.com>; joao henriques <joao@vybelife.com>
Subject: RE: Reporting required

Hey Joao,

Sorry to hear about your health and hoping you get a quick recovery.

Please see attached for a default letter indicating the your current defaults under the Credit Agreement. Note that there are several here that came up in our due diligence process that we need to discuss.

1. Why is there a second charge on your property to Olympia Trust Company?
2. There are significant arrears on your property with regards to Property tax and water bills, this is a material default under the loan agreement.

Please push you bookkeeper to provide the requested information as soon as possible, I will touch base on Monday if there are any updates,

Let me know if you would like to discuss this letter,

Thanks,

Abner Pennings | Account Manager | Financial Restructuring Group | **TD Bank Financial Group**
3140 Dufferin Street, Toronto ON M6A 2T1
226.499.1985 | abner.pennings@td.com

Confidential

From: joao henriques <joao.henriques@me.com>
Sent: Wednesday, April 12, 2023 8:24 AM
To: Pennings, Abner <Abner.Pennings@td.com>
Subject: Re: Reporting required

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST
ION : COURRIEL EXTERNE. NE CLIQUEZ PAS SUR DES LIENS ET N'OUVREZ PAS DE PIÈCES JOINTES AUXQUELS VOUS NE FAITES PAS CON

Unfortunately viral infection spread and has worsened
Won't be able to make call today

Here's link to listing

https://www.realtor.ca/real-estate/25282275/115-walnut-ave-toronto-niagara?utm_source=mobilenativesharing&utm_medium=social-organic&utm_campaign=socialsharelisting&propertyIds=25282275

Still waiting for details from book keeper and will share once received.

More payments have started into bank account
More to come

J

Sent from my iPhone

On Apr 11, 2023, at 9:13 AM, Pennings, Abner <Abner.Pennings@td.com> wrote:

Hey Joao,

Hope you had a good weekend and are feeling better,

I have not yet received the following which are now needed urgently,

1. YTD financial statements
2. Screenshots/reports confirming your Source deductions and HST balances, as well as property tax bill for the building.
3. Link to the listing of your property for sale

Thanks,

Abner Pennings | Account Manager | Financial Restructuring Group | **TD Bank Financial Group**

Internal

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AVIS : Message confidentiel dont le contenu peut être privilégié. Utilisation/divulgateion interdites sans permission. Si reçu par erreur, prière d'aller au www.td.com/francais/avis_juridique pour des instructions.



Financial Restructuring Group
 3140 Dufferin Street
 Toronto, Ontario
 M6A 2T1

Telephone No.: 226-499-1985
 Fax No.: 416-785-5082

April 13, 2023

Images Life Media Inc. (Borrower A)
 115 Walnut Ave
 Toronto, ON, CAN
 M5V 2S1

2531509 Ontario inc. (Borrower B)
 115 Walnut Ave
 Toronto, ON, CAN
 M5V 2S1

Delivered via Email to Joao Henriques <joao.henriques@me.com> and <joao@vybelife.com>

Dear Mr. Henriques

Borrower A and Borrower B (collectively, referred to as the “**Borrowers**” and sometimes referred to as the “**Borrower**”) are indebted to The Toronto-Dominion Bank (the “**Bank**”) with respect to certain credit facilities (the “**Credit Facilities**”) made available by the Bank to the Borrowers pursuant to and under the terms of a loan agreement dated January 4, 2022 (as subsequently amended, replaced, restated or supplemented from time to time, and collectively, the “**Credit Agreement**”). Capitalized terms used herein but not otherwise defined shall have the meaning attributed to them in the Credit Agreement.

The Credit Facilities include, *inter alia*, an operating loan in the maximum principal amount of \$300,000.00 made available to Borrower A (the “**Operating Loan**”), a HASCAP term loan in the maximum principal amount of \$250,000.00 (as reduced) (the “**HASCAP Loan**”) made available to Borrower A, a term loan in the maximum principal amount of \$283,487.00 (as reduced) (the “**Term Loan 1A**”) made available to Borrower A, and a term loan in the maximum principal amount of \$2,912,603.00 (as reduced) (the “**Term Loan 3B**”) made available to Borrower B. Borrower B also currently maintains a bank account with the Bank with no operating loan.

In connection with the Operating Loan, Borrower A currently i) holds an excess position of CAD \$350,000, ii) has regularly operated in excess of the authorized credit limits set out in the Credit Agreement, and iii) incurred obligations and/or made payments from its operating account maintained with the Bank in excess of deposits.

In connection with Borrower B, it currently i) holds an overdraft position of \$23,971.08, ii) has regularly operated in excess of the authorized credit limits (being Nil) set out in the Credit Agreement, and iii) incurred obligations and/or made payments from its operating account with the Bank in excess of deposits.

Further, Section 7, “Standard Positive Covenants”, under the Credit Agreement, requires the Borrower (and each Guarantor) to ensure that the Borrower will:

“a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.”

The Borrowers are in default of their payment obligations to the Bank under the Credit Agreement, as follows (the “**Payment Defaults**”):

1. Facility 1A (Borrower A) Operating Loan # 925566201 1968 (\$11,570.90 in arrears plus interest)
2. Facility 3B (Borrower B) Term Loan # 935699401 1968 (\$50,588.65 in arrears plus interest)
3. Facility 4A (Borrower A) HASCAP Loan #925566207 1968 (\$5,502.16 in arrears plus interest)

Further, Section 6, “Standard Representations and Warranties”, under the Credit Agreement provides that:

“The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. ...”

The Bank has obtained a Tax Certificate as at April 12, 2023 from the City of Toronto in connection with the property municipally known as 113-115 Walnut Avenue, Toronto, Ontario, which indicates that Borrower B has failed to pay realty taxes in 2023 and the arrears owing are \$27,947.11. The Tax Certificate also indicates that Borrower B has failed to pay water in 2022 and the amount owing is \$457.83 including interest and fees. Borrower B’s failure to pay realty taxes for 113-115 Walnut Avenue, Toronto, Ontario constitutes a breach of the Credit Agreement (the “**Realty Tax Default**”).

Further, the section, “Negative Covenants”, under the Credit Agreement requires the Borrower (and each Guarantor) to observe the Standard Negative Covenants set out in Schedule “A”. In addition, the Borrower will ensure and each Guarantor will ensure that:

“All) No subsequent encumbrances shall be permitted without the prior written consent of the Bank.”

The Bank has learned that Borrower B granted a second charge in favour of Olympia Trust Company in the principal amount of \$106,000.00 together with a notice of assignment of rents against the property municipally known as 113-115 Walnut Avenue, Toronto, Ontario, on August 11, 2022 and registered as Instrument Numbers AT6155996 and AT615597, respectively. It does not appear that the Borrowers obtained the **written consent** of the Bank in respect of the Olympia Trust Company charge and notice of assignment of rents which constitutes a breach of the Credit Agreement (the “**Encumbrance Default**”).

Accordingly, the Borrowers are in default of their obligations to the Bank under the Credit Agreement as identified herein. We wish to remind you, that you are required to comply with all of the terms and conditions of the Credit Agreement and Security documentation.

The Bank is not prepared to tolerate the Payments Default, Realty Tax Default and the Encumbrance Default and requires that the Borrowers cure these defaults forthwith. The Bank is not waiving any defaults under the Credit Agreement or any other documents executed and delivered in connection therewith whether listed herein or not listed herein.

The Bank specifically reserves all of its rights and remedies that it has under contract and law.

We would be pleased to discuss the aforementioned with you at your convenience. Please direct any queries or comments to the attention of the writer.

Yours Truly,

THE TORONTO-DOMINION BANK



Abner Pennings
Account Manager



Kathryn Furfaro
Manager of Commercial Credit

This is Exhibit "L" referred to
in the Affidavit of Abner Pennings

Sworn this 28th

day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G



171

MINDEN GROSS LLP
BARRISTERS AND SOLICITORS
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www.mindengross.com

DIRECT DIAL 416-369-4115
E-MAIL rmoses@mindengross.com
FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

IMAGES LIFE MEDIA INC.

115 Walnut Avenue
Toronto ON M5V 2S1

Attn: John Paul Henriques also known as Joao Paul Henriques

Dear Sir:

RE: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to Images Life Media Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022

We have been retained by the Bank in respect of the indebtedness owing to it by the Company.

We refer you to a credit facilities agreement dated January 4, 2022 between the Bank and the Company (the "**Credit Agreement**"), establishing: (i) a \$283,487.00 committed reducing term facility (single draw) ("**Term Loan # 92***62-01/1968**"); (ii) a \$300,000.00 demand operating loan ("**Operating Loan # 92***62-01/0241**"); (iii) a \$250,000.00 HASCAP term facility ("**HASCAP Loan # 92***62-07/1968**"); and (iv) a Visa facility under "**Visa Card # 45** **** ** 7102**" ("**Visa Facility**").

We also refer you to a non-tolerance and breach letter dated April 13, 2023 wherein the Bank advised the Company of the Payment Defaults (as defined therein).

As you are no doubt aware, the indebtedness owing by the Company to the Bank in connection with the Operating Loan # 92***62-01/0241 and the Visa Facility are repayable on demand.

As you are also aware, the non-payment of principal outstanding under the Credit Agreement when due or non-payment of interest or fees outstanding under the Credit Agreement within 3 Business Days of when due constitutes an Event of Default. We have been advised by the Bank that the Company has failed to honour its payment obligations under the Credit Agreement in connection with the Term Loan # 92***62-01/1968 and the HASCAP Loan #

92***62-07/1968, entitling the Bank to make demand for the payment of all amounts owing thereunder.

We have been advised by the Bank that as of April 18, 2023, the Company, as primary debtor, is indebted to the Bank pursuant to the Credit Agreement in the total amount of \$866,755.02 including interest accrued to date and continuing to accrue, which is more particularly set out below:

Term Loan # 92***62-01/1968	
Outstanding balance	\$202,490.75
Interest as of April 18, 2023	\$3,440.12
Interest per diem \$44.10	
Total:	\$205,930.87
Operating Loan # 92***62-01/0241	
Outstanding balance	\$350,000.00
Interest as of April 6, 2023	\$1,529.99
Total:	\$351,529.99
HASCAP Loan # 92***62-07/1968	
Outstanding balance	\$248,043.44
Interest as of April 18, 2023	\$2,065.90
Interest per diem \$27.18	
Total:	\$250,109.34
Visa Card # 45** **** ** 7102	59,184.82
Total:	59,184.82
TOTAL	\$866,755.02*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon the Company for payment by no later than May 1, 2023 of the amounts expressed above and all interest accruing thereon up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, we must advise you that the Bank reserves its rights to take such further steps as are necessary to recover the indebtedness and liabilities owing by the Company to the Bank, including, without limitation, the appointment of a receiver and manager of the property, assets and undertaking of the Company.

We further advise the Company that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act (Canada)*.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

MINDEN GROSS LLP

Per:

R. Moses

Rachel Moses

RM/cc

Encl.

cc: The Toronto-Dominion Bank - Attn: Abner Pennings

#56930354132528 v1

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)
SECTION 244**

**PERSONAL & CONFIDENTIAL
REGISTERED MAIL AND ORDINARY MAIL**

TO: **IMAGES LIFE MEDIA INC.**, an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.

2. The security that is to be enforced is in the form of:
 - a General Security Agreement dated December 24, 2020.

3. The total amount of indebtedness secured by the security as at April 18, 2023 is \$3,779,214.60.*

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 20th day of April, 2023.

THE TORONTO-DOMINION BANK
by its solicitors, MINDEN GROSS LLP

Per: *R. Moses*
Rachel Moses

*\$3,779,214.60 is comprised of \$866,755.02 as of April 18, 2023 as primary debtor plus \$2,912,459.58 as of April 18, 2023 as guarantor for the debts, liabilities and obligations of 2531509 Ontario Inc.



MINDEN GROSS LLP
BARRISTERS AND SOLICITORS
 145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL. 416-362-3711 FAX 416-864-9223
 www.mindengross.com

DIRECT DIAL 416-369-4115
 E-MAIL rmoses@mindengross.com
 FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
 AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

JOHN PAUL HENRIQUES
JOAO PAUL HENRIQUES
 115 Walnut Avenue
 Toronto ON M5V 2S1

Dear Sir:

Re: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to Images Life Media Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under an unlimited guarantee made as of December 24, 2020.

As at April 18, 2023, the Company, as primary debtor, is indebted to the Bank in the following amounts:

Term Loan # 92***62-01/1968	
Outstanding balance	\$202,490.75
Interest as of April 18, 2023	\$3,440.12
Interest per diem \$44.10	
Total:	\$205,930.87
Operating Loan # 92***62-01/0241	
Outstanding balance	\$350,000.00
Interest as of April 6, 2023	\$1,529.99
Total:	\$351,529.99

HASCAP Loan # 92***62-07/1968		
Outstanding balance	\$248,043.44	
Interest as of April 18, 2023	\$2,065.90	
Interest per diem \$27.18		
Total:		\$250,109.34
Visa Card # 45** **** ** 7102	59,184.82	
Total:		59,184.82
TOTAL		\$866,755.02*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than May 1, 2023 of all of the amounts expressed above, all interest accruing thereon and under your guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP
 Per:

R. Moses

Rachel Moses
 RM/cc

cc: The Toronto-Dominion Bank - Attn: Abner Pennings



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FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

2531509 ONTARIO INC.
115 Walnut Avenue
Toronto ON M5V 2S1

Attn: John Paul Henriques also known as Joao Paul Henriques

Dear Sir:

Re: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to Images Life Media Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under an unlimited guarantee made as of December 24, 2020.

As at April 18, 2023, the Company, as primary debtor, is indebted to the Bank in the following amounts:

Term Loan # 92***62-01/1968		
Outstanding balance	\$202,490.75	
Interest as of April 18, 2023	\$3,440.12	
Interest per diem \$44.10		
Total:		\$205,930.87
Operating Loan # 92***62-01/0241		
Outstanding balance	\$350,000.00	
Interest as of April 6, 2023	\$1,529.99	
Total:		\$351,529.99

HASCAP Loan # 92***62-07/1968		
Outstanding balance	\$248,043.44	
Interest as of April 18, 2023	\$2,065.90	
Interest per diem \$27.18		
Total:		\$250,109.34
Visa Card # 45** **** **** 7102	59,184.82	
Total:		59,184.82
TOTAL		\$866,755.02*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than May 1, 2023 of all of the amounts expressed above, all interest accruing thereon and under your guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act (Canada)*.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP
 Per:

R. Moses

Rachel Moses
 RM/cc
 Encl.

cc: The Toronto-Dominion Bank - Attn: Abner Pennings

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**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)
SECTION 244**

**PERSONAL & CONFIDENTIAL
REGISTERED MAIL AND ORDINARY MAIL**

TO: **2531509 ONTARIO INC.**, an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.
 - real property municipally known as 113 - 115 Walnut Avenue, Toronto, Ontario (the "113 - 115 Walnut Avenue Property").

2. The security that is to be enforced is in the form of:
 - a General Security Agreement dated December 24, 2020.
 - a Charge/Mortgage of Land in the amount of \$3,250,000.00.00 registered against the 113 - 115 Walnut Avenue Property on December 30, 2020 as registration number AT5611674, PIN 21241-0192 LT.
 - Notice of Assignment of Rents registered against the 113 – 115 Walnut Avenue Property on December 30, 2020 as Instrument No. AT5611675, PIN 21241-0192 LT.

3. The total amount of indebtedness secured by the security as at April 18, 2023 is \$3,779,214.60*.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 20th day of April, 2023.

THE TORONTO-DOMINION BANK
by its solicitors, MINDEN GROSS LLP

Per: *R. Moses*

Rachel Moses

*\$3,779,214.60 is comprised of \$2,912,459.58 as of April 18, 2023 as primary debtor plus \$866,755.02 as of April 18, 2023 as guarantor for the debts, liabilities and obligations of Images Life Media Inc.



MINDEN GROSS LLP
BARRISTERS AND SOLICITORS
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www.mindengross.com

DIRECT DIAL 416-369-4115
E-MAIL rmoses@mindengross.com
FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

2531509 ONTARIO INC.
115 Walnut Avenue
Toronto ON M5V 2S1

2531509 ONTARIO INC.
115 Walnut Avenue
Toronto ON M5V 2S1

Attn: John Paul Henriques also known as Joao Paul Henriques

Dear Sir:

RE: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to 2531509 Ontario Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022 and 113 – 115 Walnut Avenue, Toronto, Ontario

We have been retained by the Bank in respect of the indebtedness owing to it by the Company.

We refer you to a credit facilities agreement dated January 4, 2022 between the Bank and the Company (the "**Credit Agreement**"), establishing a \$2,912,603.00 committed reducing term facility (single draw) ("**Term Loan # 93***94-01/1968**").

We also refer you to a non-tolerance and breach letter dated April 13, 2023 wherein the Bank advised the Company of, among other things, the Payment Defaults (defined therein).

As you are aware, the non-payment of principal outstanding under the Credit Agreement when due or non-payment of interest or fees outstanding under the Credit Agreement within 3 Business Days of when due constitutes an Event of Default. We have been advised by the Bank that the Company has failed to honour its payment obligations under the Credit Agreement in connection with the Term Loan # 93***94-01/1968, entitling the Bank to make demand for the payment of all amounts owing thereunder.

We have been further advised by the Bank that as of April 18, 2023, the Company, as primary debtor, is indebted to the Bank pursuant to the Credit Agreement in the total amount of \$2,912,459.58 including interest accrued to date and continuing to accrue, which is more particularly set out below:

Term Loan # 93***94-01/1968	
Outstanding balance	\$2,812,728.94
Interest as of April 18, 2023	\$98,730.64

Interest per diem \$612.64

Total:

\$2,911,459.58

Discharge Fee

TOTAL

\$1,000.00

\$2,912,459.58*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon the Company for payment by no later than May 1, 2023 of the amounts expressed above and all interest accruing thereon up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, we must advise you that the Bank reserves its rights to take such further steps as are necessary to recover the indebtedness and liabilities owing by the Company to the Bank, including, without limitation, the appointment of a receiver and manager of the property, assets and undertaking of the Company, and the Bank shall commence such legal proceedings it is entitled to commence against the Company in connection with its liabilities and obligations under any and all mortgage security delivered by the Company to the Bank.

We further advise the Company that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act (Canada)*.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

MINDEN GROSS LLP

Per:

R. Moses

Rachel Moses

RM/cc

Encl.

cc: The Toronto-Dominion Bank - Attn: Abner Pennings

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)
SECTION 244**

**PERSONAL & CONFIDENTIAL
REGISTERED MAIL AND ORDINARY MAIL**

TO: **2531509 ONTARIO INC.**, an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.
 - real property municipally known as 113 - 115 Walnut Avenue, Toronto, Ontario (the "**113 - 115 Walnut Avenue Property**").

2. The security that is to be enforced is in the form of:
 - a General Security Agreement dated December 24, 2020.
 - a Charge/Mortgage of Land in the amount of \$3,250,000.00 registered against the 113 - 115 Walnut Avenue Property on December 30, 2020 as registration number AT5611674, PIN 21241-0192 LT.
 - Notice of Assignment of Rents registered against the 113 – 115 Walnut Avenue Property on December 30, 2020 as Instrument No. AT5611675, PIN 21241-0192 LT.

3. The total amount of indebtedness secured by the security as at April 18, 2023 is \$3,779,214.60.*

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 20th day of April, 2023.

THE TORONTO-DOMINION BANK
by its solicitors, MINDEN GROSS LLP

Per: *R. Moses*

Rachel Moses

*\$3,779,214.60 is comprised of \$2,912,459.58 as of April 18, 2023 as primary debtor plus \$866,755.02 as of April 18, 2023 as guarantor for the debts, liabilities and obligations of Images Life Media Inc.



MINDEN GROSS LLP
BARRISTERS AND SOLICITORS
 145 KING STREET WEST, SUITE 2200
 TORONTO, ON, CANADA M5H 4G2
 TEL. 416-362-3711 FAX 416-864-9223
 www.mindengross.com

DIRECT DIAL 416-369-4115
 E-MAIL rmoses@mindengross.com
 FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
 AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

JOHN PAUL HENRIQUES
JOAO PAUL HENRIQUES
 115 Walnut Avenue
 Toronto ON M5V 2S1

Dear Sir:

Re: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to 2531509 Ontario Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under an unlimited guarantee made as of December 24, 2020.

As at April 18, 2023, the Company, as primary debtor, is indebted to the Bank in the following amounts:

Operating Loan # 93***94-01/1968	
Outstanding balance	\$2,812,728.94
Interest as of April 18, 2023	\$98,730.64
Interest per diem \$612.64	
Total:	\$2,911,459.58
Discharge Fee	
TOTAL	\$2,912,459.58*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than May 1, 2023 of all of the amounts expressed above, all interest accruing thereon and under your guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP

Per:

R. Moses

Rachel Moses

RM/cc

cc: The Toronto-Dominion Bank - Attn: Abner Pennings



MINDEN GROSS LLP
BARRISTERS AND SOLICITORS
145 KING STREET WEST, SUITE 2200
TORONTO, ON, CANADA M5H 4G2
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www.mindengross.com

DIRECT DIAL 416-369-4115
E-MAIL rmoses@mindengross.com
FILE NUMBER 4132528

April 20, 2023

**BY REGULAR AND REGISTERED MAIL
AND BY EMAIL (joao.henriques@me.com and joao@vybelife.com)**

IMAGES LIFE MEDIA INC.
115 Walnut Avenue
Toronto ON M5V 2S1

Attn: John Paul Henriques also known as Joao Paul Henriques

Dear Sir:

Re: The Toronto-Dominion Bank ("Bank") and Credit Facilities Provided to 2531509 Ontario Inc. ("Company") Pursuant to Credit Facilities Agreement Dated January 4, 2022

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under an unlimited guarantee made as of December 24, 2020.

As at April 18, 2023, the Company, as primary debtor, is indebted to the Bank in the following amounts:

Operating Loan # 93***94-01/1968	
Outstanding balance	\$2,812,728.94
Interest as of April 18, 2023	\$98,730.64
Interest per diem \$612.64	
Total:	\$2,911,459.58
Discharge Fee	\$1,000.00
TOTAL	\$2,912,459.58*

*Plus legal fees and disbursements on a solicitor and own client basis.

On behalf of the Bank, we hereby formally make demand upon you for the payment by no later than May 1, 2023 of all of the amounts expressed above, all interest accruing thereon and under your guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a solicitor and own client basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the aforesaid guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to May 1, 2023 without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act (Canada)*.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,
MINDEN GROSS LLP

Per:

R. Moses

Rachel Moses
RM/cc
Encl.

cc: The Toronto-Dominion Bank - Attn: Abner Pennings

**NOTICE OF INTENTION TO ENFORCE SECURITY
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)
SECTION 244**

**PERSONAL & CONFIDENTIAL
REGISTERED MAIL AND ORDINARY MAIL**

TO: **IMAGES LIFE MEDIA INC.**, an insolvent person

TAKE NOTICE THAT:

1. The Toronto-Dominion Bank, a secured creditor, intends to enforce its security on the insolvent person's property described below:
 - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.

2. The security that is to be enforced is in the form of:
 - a General Security Agreement dated December 24, 2020.

3. The total amount of indebtedness secured by the security as at April 18, 2023 is \$3,779,214.60.*

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 20th day of April, 2023.

THE TORONTO-DOMINION BANK
by its solicitors, MINDEN GROSS LLP

Per: *R. Moses*

Rachel Moses

*\$3,779,214.60 is comprised of \$866,755.02 as of April 18, 2023 as primary debtor plus \$2,912,459.58 as of April 18, 2023 as guarantor for the debts, liabilities and obligations of 2531509 Ontario Inc.

This is Exhibit "M" referred to
in the Affidavit of Abner Pennings

Sworn this 28th

day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

From: John Henriques <JHenriques@ifvinc.com>
Sent: Wednesday, May 10, 2023 7:34 AM
To: Pennings, Abner <Abner.Pennings@td.com>
Cc: John Henriques <joao.henriques@me.com>
Subject: Re: Forbearance Terms re Images Life Media Inc et al

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST
ATTENTION : COURRIEL EXTERNE. NE CLIQUEZ PAS SUR DES LIENS ET N'OUVREZ PAS DE PIÈCES JOINTES AUXQUELS VOUS NE FAITES PAS CON

Hi Abner
Not as of yet.
Was hoping that would not be necessary..

Joao

Sent from my iPhone

On May 9, 2023, at 9:26 AM, Pennings, Abner <Abner.Pennings@td.com> wrote:

Sure thing Joao,

Have you retained any counsel or have you any intention to?

Thanks,

Abner Pennings | Account Manager | Financial Restructuring Group | **TD Bank Financial Group**
3140 Dufferin Street, Toronto ON M6A 2T1
226.499.1985 | abner.pennings@td.com

Internal

From: John Henriques <joao.henriques@me.com>
Sent: Monday, May 8, 2023 3:07 PM

To: Pennings, Abner <Abner.Pennings@td.com>

Subject: Re: Forbearance Terms re Images Life Media Inc et al

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST
ATTENTION : COURRIEL EXTERNE. NE CLIQUEZ PAS SUR DES LIENS ET N'OUVREZ PAS DE PIÈCES JOINTES AUXQUELS VOUS NE FAITES PAS

Hi Abner

Thanks for sending this. I am working on lining up the requirements for you as requested.
Please move forward with drafting the document for final review.

Thanks again for your help with getting this resolved.

My very best!

Joao

Sent from my iPhone

On May 8, 2023, at 1:04 PM, Pennings, Abner <Abner.Pennings@td.com> wrote:

Hey Mr. Henriques,

A response to the below was required by today, will you be providing any?

Thanks,

Abner Pennings | Account Manager | Financial Restructuring Group | **TD Bank
Financial Group**

3140 Dufferin Street, Toronto ON M6A 2T1

226.499.1985 | abner.pennings@td.com

Confidential

From: Pennings, Abner

Sent: Tuesday, May 2, 2023 8:56 AM

To: joao henriques <joao.henriques@me.com>

Subject: Forbearance Terms re Life Images

Hello Mr. Henriques,

In response to the demand letters (“**TD Demands**”) and the notice of intention to enforce security issued on April 20, 2023 (the “**BIA Notice**”), we understand that Images Life Media Inc. (“**Images Life**” or “**Borrower A**”) and 2531509 Ontario Inc. (“**253**” or “**Borrower B**”) and Joao Henriques (Images Life and 253 and Mr. Henriques are sometimes collectively the “**Guarantors**”) have requested that TD forbear from taking further enforcement steps, including enforcing its mortgage rights in connection with the real property known municipally as 113-115 Walnut Avenue, Toronto, Ontario (the “**Mortgaged Property**”), while Borrower A and Borrower B take the necessary steps to sell the Mortgaged Property and repay all indebtedness owing to TD in full.

Borrower A and Borrower B are collectively referred to as the “**Borrowers**”.

We therefore wish to advise that, subject to each of the Credit Parties (Borrower A, Borrower B and the Guarantors, as applicable) agreeing to the terms of a forbearance agreement to be drafted by TD’s counsel (the “**Forbearance Agreement**”), the key terms of which are indicated below (but which Forbearance Agreement will also include other standard terms for an agreement of such nature), TD is prepared to delay taking further enforcement steps as against each of the Credit Parties:

- a) the Borrowers shall have until **June 9, 2023** (the period to such date being the “**Forbearance Period**”) to repay the indebtedness owing by the Borrower to TD, which shall include all legal, property management, appraisal and other professional fees and costs incurred by TD (“**Indebtedness**”).
- b) the Borrowers shall provide a **progress report** to TD in connection with their efforts to refinance and/or sell the Mortgaged Property, including providing any sign discussion paper or commitment letter or signed offers to purchase, with all Schedules, if applicable, by **May 28 2023**.
- c) The Borrowers and Mr. Henriques, shall consent to judgment and, if requested by TD in the Forbearance Agreement, shall also consent to the appointment of a receiver.
- d) The Borrowers shall consent to TD obtaining, at TD’s discretion, an inspection of the Mortgaged Property on reasonable notice to Borrower B and during normal business hours, which cost shall be added to the Indebtedness.
- e) The Borrowers shall consent to TD obtaining, at TD’s discretion, a current appraisal of the Mortgaged Property, which cost shall be added to the Indebtedness.
- f) The Borrowers shall provide evidence, in a form satisfactory to TD, in its sole and absolute discretion (including among other things, the RT and RP reports of the Borrowers) that all amounts owing by the Borrowers to Canada Revenue Agency in respect of source deductions and harmonized sales tax have been paid and are current **as at May 15, 2023** and **as at June 5, 2023**.
- g) Borrower B shall provide evidence to TD that all property taxes in connection with the Mortgaged Property have been paid and are current **as at June 5, 2023**.
- h) The Borrowers shall pay to TD a **\$10,000.00 forbearance fee** of which \$5,000 shall become due and payable on the signing of the Forbearance Agreement with the remaining \$5,000.00 due and payable on June 9, 2023.
- i) The Borrowers shall pay to TD \$20,000.00 to permanently reduce the Indebtedness (the “**Reduction Payment**”). The Reduction Payment shall be paid to TD by no later than May 15, 2023 and shall be applied by TD to reduce the Indebtedness owing, as it sees fit and in its sole and absolute discretion.
- j) The Borrowers and Mr. Henriques have been provided a reasonable opportunity to seek legal advice with respect to the execution and delivery of the Forbearance Agreement (and the Consents) and have either done so or have decided to execute and deliver same to TD without obtaining such legal advice.
- k) The Forbearance Agreement shall contain additional provisions commonly found in forbearance agreements, including, but not limited to, an acknowledgment by each of the Borrowers and Guarantors, as applicable, that the debts are due and owing, an acknowledgment that all security and guarantees held by TD are valid and enforceable.

We have advised you, and again advise you to retain legal counsel in connection with these matters. Please confirm your agreement to the terms set out herein by no later than **5:00 pm on Monday, May 8, 2023**. If no such email is received by this date, TD will have no alternative but to consider the immediate enforcement of its rights and remedies against the Borrowers and Mr. Henriques, and in the interim, TD reserves all such rights and remedies.

Thanks,

Abner Pennings | Account Manager | Financial Restructuring Group | **TD Bank Financial Group**

3140 Dufferin Street, Toronto ON M6A 2T1

226.499.1985 | abner.pennings@td.com

Internal

Confidential

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This is Exhibit "N" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

From: Rachel Moses
Sent: Friday, May 12, 2023 10:03 AM
To: joao.henriques@me.com; joao@vybelife.com
Cc: Christine Cavarzan <ccavarzan@mindengross.com>
Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Hello Mr. Henriques,

As you are aware, we are the lawyers for TD in respect of the indebtedness owing by the Borrowers. Further to your confirming email to Mr. Pennings, please find attached the Forbearance Agreement ("**FA**") with Schedules for your review and execution. You have been advised on multiple occasions to retain legal counsel in respect of same. We wish to point out, among other things, the following dates:

- Article 5 – the **Forbearance Period** ends on **June 19, 2023**. At this time, all Indebtedness must be repaid in full to TD.
- Article 5.03 – the **Forbearance Fee is \$10,000.00**; \$5,000 will be paid at the time of execution of the FA and the balance will be paid at the time of repayment, i.e., no later than June 19, 2023.
- Article 6.01:
 - **(n) Harmonized Sales Tax and Source Deductions:** The Borrowers shall, and the Guarantors shall cause the Borrowers to, deliver to the Bank, evidence satisfactory to the Bank, in its sole and absolute discretion, that the Borrowers are current with all amounts owing to Canada Revenue Agency in respect of source deductions and harmonized sales tax (i) as at **May 15, 2023** and (ii) as at **June 15, 2023**. Such evidence includes but is not limited to the RT and RP reports of the Borrowers;
 - **(m) Realty Tax Arrears Owing on Walnut Property:** Borrower B shall, and the Guarantors shall cause Borrower B to, deliver to the Bank on or before **June 15, 2023**, evidence satisfactory to the Bank that the Realty Tax Arrears have been paid in full and are current as at June 15, 2023;

- (n) **Inspection of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, an inspection of the Walnut Property on twenty-four (24) hours' notice to Borrower B and between normal business hours on a Business Day, and any costs associated with such inspection shall form part of the Indebtedness;

- (o) **Appraisal of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, a current appraisal of the Walnut Property, and any costs associated with such appraisal shall form part of the Indebtedness;

- (t) **Bank Account:** The Borrowers and the Guarantors shall ensure that all monies generated by the Borrowers in the course of their respective business operations are deposited into any Account maintained by the Borrowers at the Bank, and the Borrowers shall only maintain accounts at the Bank. **The Account of the Borrowers shall be closed effective on repayment of the Indebtedness;**

- (x) **Progress Reports:** The Borrowers shall deliver to the Bank, and the Guarantors shall cause the Borrowers to deliver to the Bank by no later than **May 31, 2023**, a signed discussion letter, commitment letter, signed offer to purchase, or similar documentation from another financial institution including all schedules as applicable, in an amount sufficient to repay all Indebtedness;

- (y) **Consent To Judgment:** The Borrowers and Guarantors shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “D” (“Consent to Judgment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and

- (z) **Consent To Appointment:** The Borrowers shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule "E"** ("**Consent to Appointment**"), provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

PLEASE NOTE THE SIGN BACK DEADLINE EXPIRES AT 4 P.M. ON FRIDAY, MAY 19, 2023. Should you or your lawyers have any questions, please contact me.

In the interim, the Bank reserves all of its rights and remedies.



RACHEL MOSES

T: [416.369.4115](tel:416.369.4115) F: 416.864.9223 www.mindengross.com
 145 King St. West, Suite 2200, Toronto, ON M5H 4G2
 Save contact details: [Rachel Moses](#)

MERITAS LAW FIRMS WORLDWIDE

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FORBEARANCE AGREEMENT

THIS AGREEMENT made as of the 11th day of May, 2023.

A M O N G:

THE TORONTO-DOMINION BANK
(hereinafter referred to as the "**Bank**")

- and -

IMAGES LIFE MEDIA INC.
(hereinafter referred to as "**Borrower A**")

- and -

2531509 ONTARIO INC.
(hereinafter referred to as "**Borrower B**", together with Borrower A the "**Borrowers**")

- and -

JOAO PAUL HENRIQUES also known as JOHN PAUL HENRIQUES
(hereinafter referred to as the "**Personal Guarantor**")

WHEREAS:

1. the Bank has made available certain Credit Facilities to the Borrowers on the terms and conditions established under the Credit Agreement;
2. the Indebtedness of the Borrowers are cross-guaranteed, meaning that each of Borrower A and Borrower B is indebted to the Bank in its capacity as a primary borrower and as a guarantor;
3. the Corporate Guarantors and the Personal Guarantor executed and delivered the Guarantees to the Bank for the purpose of guaranteeing the payment and performance of certain of the debts, liabilities and obligations of the Borrowers to the Bank;
4. the Operating Facility and the Visa Facility are repayable on demand;
5. the accounts of the Borrowers were transferred to the Bank's Financial Restructuring Group in or about January, 2023 and since then, the Account(s) of the Borrowers have been on "deposit only" status.

6. on April 13, 2023, a non-tolerance letter was issued by the Bank to the Borrowers advising of various defaults under the Credit Agreement, including Payment Defaults (as defined therein), the Realty Tax Default (as defined therein) and the Encumbrance Default (as defined therein). The Borrower was required to remedy these defaults immediately;
7. on April 20, 2023, the Bank made demand on the Borrowers, in their capacities as a primary borrower and as a guarantor for the repayment of the Indebtedness to the Bank by no later than May 1, 2023 (the “**Demands**”), and enclosed a Notice of Intention to Enforce Security pursuant to Section 244(1) of the BIA to each of the Borrowers also dated April 20, 2023 (the “**BIA Notices**”). The Bank also made demand on the Personal Guarantor;
8. pursuant to a Tax Certificate as at April 12, 2023 from the City of Toronto in connection with the property municipally known as 113-115 Walnut Avenue, Toronto, Ontario, PIN 21241-0192 LT (the “**Walnut Property**”), Borrower B has failed to pay realty taxes in 2023 with \$27,947.11 owing in arrears and also failed to pay water in 2022 with \$457.83 owing in arrears, interest and fees included (collectively, the “**Realty Tax Arrears**”);
9. pursuant to a parcel search on the Walnut Property as at April 11, 2023, there is a second Charge/Mortgage of Land in the amount of \$106,000.00 registered against the Walnut Property on August 11, 2022 in favour of Olympia Trust Company as registration number AT6155996. There is also a Notice of Assignment of Rents registered against the Walnut Property on August 11, 2022 in favour of Olympia Trust Company as registration number AT6155997;
10. the Borrowers and Guarantors have requested that the Bank forbear from enforcing its rights and remedies under the Security so as to provide them with the opportunity to repay the Indebtedness owing to the Bank; and
11. as an inducement to the Bank agreeing to so forbear, the Borrowers and Guarantor have agreed to enter into this Agreement and to comply with the terms and provisions contained herein;

NOW THEREFORE in consideration of the acknowledgements, confirmations, covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto), each of the Parties hereto hereby agree with each other as follows:

ARTICLE 1 **INTERPRETATION**

- 1.01 Definitions:** Unless otherwise specifically defined in this Agreement, all capitalized terms used in this Agreement shall have the meanings ascribed to

them in the Credit Agreement. The following terms shall have the following meanings:

- (a) **“Account”** means the bank account(s) of the Borrowers maintained at the Bank;
- (b) **“Assets”** means all of the Real Property and personal property, tangible or intangible and undertakings of the Borrowers in respect of which the Bank holds Security;
- (c) **“BIA”** means the *Bankruptcy and Insolvency Act* (Canada);
- (d) **“Business Day”** means a day other than a Saturday, Sunday, statutory holiday in the Province of Ontario, or any other day on which the Schedule 1 Canadian Chartered Banks located in the City of Toronto are not open for business during normal banking hours;
- (e) **“Business Premises”** means the Walnut Property;
- (f) **“Credit Agreement”** means the credit facilities letter agreement dated January 4, 2022 and accepted by the Borrowers on January 6, 2022, as amended, revised, restated, replaced and supplemented from time to time;
- (g) **“Credit Facilities”** means the credit facilities established by the Bank in favour of the Borrowers pursuant to the Credit Agreement;
- (h) **“Corporate Guarantors”** means Borrower A and Borrower B in their capacities as Guarantors;
- (i) **“Environmental Laws”** means any applicable law respecting the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances that applies to the Real Property and/or the operation of the Borrowers’ business thereon;
- (j) **“Environmental Permits”** means all permits, certificates, approvals, consents, registrations and licenses issued or required by any Environmental Laws or any court or governmental authority relating to or required for the ownership of the Real Property and the operation of the Borrowers’ business thereon;
- (k) **“Event of Default”** means the occurrence of any one or more of the events set forth in Article 9 of this Agreement;
- (l) **“Guarantees”** means the Guarantees of Advances Unlimited executed and delivered to and in favour of the Bank by the Guarantors, as further described in **Schedule “A”** attached hereto;

- (m) **“Guarantors”** means collectively the Corporate Guarantors and the Personal Guarantor and individually sometimes referred to herein as a **“Guarantor”**;
- (n) **“HASCAP Loan”** means the term loan advanced under the Highly Affected Sectors Credit Availability Program, established for Borrower A under the Credit Agreement and set forth in subsection 2.01(c);
- (o) **“Hazardous Substances”** means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination thereof that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual;
- (p) **“Indebtedness”** means the amounts set forth in sections 2.01, 2.02 and 2.03;
- (q) **“Operating Facility”** means the Operating Facility established for Borrower A under the Credit Agreement and set forth in subsection 2.01(b);
- (r) **“Parties”** means any one or more of the parties referred to in this Agreement, as the context may require;
- (s) **“Potential Prior Ranking Claims”** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under the Credit Agreement;
- (t) **“Prime Rate”** means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada;
- (u) **“Priority Payables”** shall have the meaning ascribed thereto in subsection 6.01(k);
- (v) **“Priority Payable Authorizations”** shall have the meaning ascribed thereto in subsection 6.01(k);
- (w) **“Real Property”** means the Walnut Property which is owned by Borrower B;
- (x) **“Repayment Plan”** means the Repayment Plan set forth in Article 5 of this Agreement;
- (y) **“Security”** means collectively all of the security delivered by the Borrowers, or any other person, to the Bank as security for the

Indebtedness and obligations of the Borrowers to the Bank pursuant to the Credit Agreement, or otherwise, or that may be delivered by the Borrowers, or any other person, to the Bank to secure the Indebtedness and obligations of the Borrowers to the Bank including, without limitation, the Security listed in **Schedules “A” and “B”** attached hereto;

- (z) **“Term Facility # 92***62-01/1968”** means the committed reducing term facility (single draw) established for Borrower A under the Credit Agreement and set forth in subsection 2.01(a);
- (aa) **“Term Facility # 93***94-01/1968”** means the committed reducing term facility (single draw) established for Borrower B under the Credit Agreement and set forth in subsection 2.02(a); and
- (bb) **“Visa Facility”** means the visa facility to a maximum amount of \$50,000.00 established for Borrower A under the Credit Agreement and set forth in subsection 2.01(d).

ARTICLE 2 **CREDIT FACILITIES**

2.01 Acknowledgement of Borrower A Indebtedness (Primary Indebtedness):

The Borrowers and the Guarantors acknowledge that, as at April 18, 2023, Borrower A is indebted to the Bank as primary debtor:

- (a) in respect of the Term Facility # 92***62-01/1968, in the amount of \$205,930.87, comprising principal in the amount of \$202,490.75 and accrued interest to and including April 18, 2023 in the amount of \$3,440.12. Interest continues to accrue on the aforesaid principal amount at the Bank’s Prime Rate plus 0.75% per annum. The per diem amount on the aforesaid principal amount, given the Bank’s current Prime Rate, is \$44.10;
- (b) in respect of the Operating Facility, in the amount of \$351,529.99, comprising principal in the amount of \$350,000.00 and accrued interest to and including April 6, 2023 in the amount of \$1,529.99. Interest continues to accrue on the aforesaid principal amount at the Bank’s Prime Rate plus 0.75% per annum;
- (c) in respect of the HASCAP Loan, in the amount of \$250,109.34, comprising principal in the amount of \$248,043.44 and accrued interest to and including April 18, 2023 in the amount of \$2,065.90. Interest continues to accrue on the aforesaid principal amount at the rate of 4.00% per annum. The per diem amount on the aforesaid principal amount is \$27.18; and
- (d) in respect of the Visa Facility ending in 7102, in the amount of \$59,184.82 as at April 18, 2023. Interest continues to accrue on the aforesaid

amounts at the rate in effect from time to time in accordance with Borrower A's Visa arrangements with the Bank.

2.02 Acknowledgement of Borrower B Indebtedness (Primary Indebtedness):

The Borrowers and the Guarantors acknowledge that, as at April 18, 2023, Borrower B is indebted to the Bank as primary debtor:

- (a) in respect of the Term Facility # 93***94-01/1968, in the amount of \$2,912,459.58, comprising principal in the amount of \$2,812,728.94, accrued interest to and including April 18, 2023 in the amount of \$98,730.64 and discharge fee in the amount of \$1,000.00. Interest continues to accrue on the aforesaid principal amount at the Bank's Prime Rate plus 0.75% per annum. The per diem amount on the aforesaid principal amount, given the Bank's current Prime Rate, is \$612.64.

2.03 Interest, Etc.: The Borrowers and the Guarantors acknowledge that interest on the amounts due and payable from time to time on the amounts set forth in sections 2.01 and 2.02, as well as all costs, fees, expenses and other monies incurred by the Bank in connection with the Security, the Indebtedness, further advances, if any, made by the Bank under the Credit Agreement or hereunder, the collection of the Indebtedness, any appraisals, environmental reports and investigation of the Assets and/or the Real Property, the enforcement of the Security, the negotiation, preparation and enforcement of this Agreement and any amendments hereto, and the disbursements and full amount of all legal and other professional fees incurred by the Bank, in connection with all of the same shall be added to and are deemed to form part of the Indebtedness.

ARTICLE 3
ACKNOWLEDGEMENTS

3.01 Acknowledgements by the Borrowers: The Borrowers hereby confirm and acknowledge to the Bank that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Account(s) of the Borrowers have been on deposit only status with the Bank since at least January, 2023;
- (c) the Indebtedness is due and owing to the Bank and the Borrowers have no right or claim of set-off, counter-claim, damages or any similar right or claim against the Bank in connection with the Indebtedness;
- (d) the Bank had the right to issue the Demands for repayment of the Indebtedness and the right, as at the date hereof, to enforce the Security as the 10 day period set out in the BIA Notices has expired;

- (e) the Security is, and any other security delivered by the Borrowers, or any other person, to the Bank to secure the Indebtedness after the date hereof will be in full force and effect, constitute legal, valid and binding obligations of the Borrowers, or the person granting such Security, enforceable against the Borrowers, and the person granting such Security, and the Borrowers hereby waive and agree not to assert or cause to be asserted on its behalf, and are hereby estopped from asserting or causing to be asserted on their behalf, any defences or rights with respect to the legal effect of the Security, or the legality, validity or binding effect of the obligations of the Borrowers thereunder and the enforceability of same;
- (f) except as provided for in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrowers a written waiver of any such rights; and
- (g) the Borrowers have been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and have either done so or has decided to execute and deliver the same to the Bank without obtaining such legal advice.

3.02 Acknowledgements by the Guarantors: The Guarantors hereby acknowledge and confirm that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Account(s) of the Borrowers have been on deposit only status with the Bank since at least January, 2023;
- (c) the Bank had the right to issue the Demands for repayment of the Indebtedness and the right, as at the date hereof, to enforce the Security, as the 10 day period set out in the BIA Notices has expired;
- (d) the Indebtedness is due and owing to the Bank and the Borrowers have no right or claim of set-off or any similar right or claim against the Bank in connection with the Indebtedness;
- (e) the Security is, and any other security delivered by the Borrowers, or any other person, to the Bank to secure the Indebtedness after the date hereof, will be in full force and effect, constitute legal, valid and binding obligations of the Borrowers, or the person granting such Security, and the

Security and any other security delivered by the Borrowers, or any other person, will be enforceable against the Borrowers, and the person granting such Security, and the Guarantors hereby waive and agree not to assert or cause to be asserted on their behalf, and they are each hereby estopped from asserting or causing to be asserted on their behalf, any defences or rights in relation to any matter, cause or thing whatsoever existing to the date hereof with respect to the legal effect of the Security or the legality, validity or binding effect of the obligations of the Borrowers and other persons thereunder and the enforceability of same;

- (f) there is no dispute respecting the liability of the Guarantors in connection with the Indebtedness and the obligations of the Guarantors to repay the Indebtedness according to the provisions of the Guarantees delivered by the Guarantors;
- (g) the Guarantees delivered by the Guarantors are in full force and effect, constitutes legal, valid and binding obligations of the Guarantors, are enforceable against the Guarantors and the Guarantors hereby waive and agree not to assert or cause to be asserted on their behalf, and are hereby estopped from asserting or causing to be asserted on their behalf, any defences or rights with respect to the legal effect of the Guarantees or the legality, validity or binding effect of the obligations of the Guarantors thereunder and the enforceability of same;
- (h) the Guarantors consent to the Borrowers entering into this Agreement;
- (i) notwithstanding the terms of the Guarantees, the Security, the Credit Agreement, this Agreement, or of any other agreement, whether written or oral, between the Bank, the Borrowers and the Guarantors, the Bank shall be entitled to rely upon the Guarantees in respect of any amounts comprising the Indebtedness;
- (j) except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the applicable Borrower or applicable Guarantor a written waiver of any such rights following the date hereof; and
- (k) the Guarantors have been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and have either done so or have decided to execute and deliver the same to the Bank without obtaining such legal advice.

3.03 Tolling Provisions:

- (a) As of the date hereof and continuing until the termination of the Forbearance Period and thereafter until the termination of the tolling arrangements hereof in the manner provided for at paragraph 3.03(b), the Bank, the Borrowers and the Guarantors hereby agree to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the Indebtedness, the Security, and any entitlements arising from the Indebtedness or the Security and any other related matters, and each of the parties confirms that this Agreement is intended to be an agreement to suspend or extend the basic limitation period, provided by Section 4 of the *Limitations Act*, 2002 (Ontario) as well as the ultimate limitation period provided by Section 15 of the *Limitations Act*, 2002 (Ontario) in accordance with the provisions of Section 22(2) of the *Limitations Act*, 2002 (Ontario) and as a business agreement in accordance with the provisions of Section 22(5) of the *Limitations Act*, 2002 (Ontario) and any contractual time limitation on the commencement of proceedings, any claims or defences based upon such application statute of limitations, contractual limitations, or any time related doctrine including waiver, estoppel or laches; and
- (b) The tolling provisions set out in subsection (a) will terminate upon any party providing the others with 20 days written notice of an intention to terminate the tolling provisions hereof, and upon the expiry of such 20 day notice, and any time provided for under the statutes of limitations, laches, or any other doctrine related to the passage of time in relation to the Indebtedness, the Security or any entitlements arising from the Indebtedness or the Security and any other related matters, will recommence running as of the effective date of such notice, and for greater certainty the time during which the limitation period is suspended pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

ARTICLE 4 WAIVER AND RELEASE

- 4.01 **Waiver and Release:** The Borrowers and Guarantors hereby acknowledge and agree not to assert or cause to be asserted on behalf of any of them, and are hereby estopped from asserting or causing to be asserted on behalf of any of them, any defences, rights, or claims on any grounds whatsoever with respect to the Bank's administration of the Credit Facilities, its conduct and actions and dealings with the Borrowers and/or Guarantors in connection with the Credit Facilities (the "**Released Conduct**"), and hereby absolutely, unconditionally and irrevocably release and remise the Bank (and its present and former, affiliates, subsidiaries, divisions, predecessors, directors, officers, employees, agents and other representatives and their successors and assigns) of and from any and all

demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any other claims, counterclaims, defences, rights of set-off, demands and liabilities of any nature and kind whatsoever, known or unknown, both at law and in equity that the Borrowers or Guarantors or any of their successors, assigns, or other legal representatives may now or hereafter have against the Bank as a result of the Released Conduct. Further, in executing and delivering this Agreement, the Borrowers and Guarantors hereby acknowledge and agree that they are acting freely and without duress and that this release may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of that release and that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of this release.

ARTICLE 5 **FORBEARANCE**

- 5.01 Implementation:** The Borrowers and the Guarantors hereby covenant and agree to and with the Bank that: (i) they shall, and each shall ensure that the other, honours and fulfils the terms and provisions of the Repayment Plan set forth in this Article 5 and the covenants set forth in Article 6; and (ii) the Indebtedness shall be repaid by no later than June 19, 2023.
- 5.02 Forbearance Period:** Subject to the terms and conditions of this Agreement, the Bank agrees that it will forbear from the exercise of its rights and remedies against the Borrowers and Guarantors in respect of the Indebtedness for the period of time ("**Forbearance Period**") commencing with the execution and delivery of this Agreement until the earlier of:
- (a) June 19, 2023; or
 - (b) the date that the Bank becomes aware of an Event of Default that occurred prior to the date hereof that was not disclosed to it by the Borrowers; or
 - (c) the occurrence of an Event of Default following the date hereof.

The Borrowers and Guarantors acknowledge that the Bank shall have no obligation to continue to forbear after the expiration of the Forbearance Period and that the Indebtedness shall be repaid on or prior to the expiration of the Forbearance Period.

- 5.03 Forbearance Fee:** A forbearance fee in the sum of \$10,000.00 (the "**Forbearance Fee**") shall be paid to the Bank in consideration for the Bank's agreement to forbear as set out herein and to compensate the Bank for the time

and expense incurred, and to be incurred, by it in connection with the administration of the Credit Facilities during the Forbearance Period and such Forbearance Fee is deemed to have been earned by the Bank upon the execution and delivery of this Agreement. The Forbearance Fee shall be and is hereby deemed to form part of the Indebtedness and to be secured by the Security. Contemporaneously with their execution of this Agreement, the Borrowers and Guarantors shall pay to the Bank, by way of wire transfer to its counsel Minden Gross LLP ("**Minden Gross**") in accordance with the wire instructions attached hereto as **Schedule "C"**, the amount of \$5,000.00 and the remaining \$5,000.00 at the expiration of the Forbearance Period.

5.04 Servicing and Reduction of the Indebtedness: Notwithstanding any other provisions of this Agreement, the Borrowers shall honour all payment obligations in accordance with the provisions of the Credit Agreement and cause the Indebtedness to be permanently reduced as follows:

- (a) contemporaneously with its execution of this Agreement, the Borrowers shall pay to the Bank, by way of wire transfer to its counsel Minden Gross in the amount of \$20,000.00, which shall be applied by the Bank to permanently reduce the Indebtedness; and
- (b) the proceeds from all sales, transfers or other disposition of the Assets and/or Real Property, or any portion thereof that are made outside of the ordinary course of the Borrowers' business shall be deposited into the Account and applied by the Bank to permanently reduce the Indebtedness.

Notwithstanding any of the foregoing, the Bank reserves the right to apply the monies received under this section against the Indebtedness in such manner as it determines in its sole and absolute discretion.

ARTICLE 6 **COVENANTS**

6.01 The Borrowers and Guarantors hereby jointly and severally covenant and agree with the Bank as follows:

- (a) **Maintain Corporate Status:** The Borrowers shall maintain, and the Guarantors shall ensure that the Borrowers maintain, their corporate existence as valid and subsisting corporate entities;
- (b) **No Additional Shares:** The Borrowers shall not, and the Guarantors shall ensure that the Borrowers do not, issue any additional shares from treasury, or permit any of their shares to be redeemed except with the prior written consent of the Bank;

- (c) **No Corporate Changes:** The Borrowers shall not, and the Guarantors shall ensure that the Borrowers do not, merge, amalgamate or consolidate, with any other corporation except with the prior written consent of the Bank;
- (d) **No Further Obligations:** The Borrowers and the Guarantors, as applicable, shall not, and shall cause each other to not, incur or become liable for any borrowed money, or for the purchase price of assets, obligations and leases (except in the ordinary course of business in accordance with past practice), obligations under letters of credit or guarantees or indemnities, obligations given pursuant to bankers' acceptances or indemnities in connection therewith, or any contingent obligation, including, without limitation, guarantees, endorsements or bills of exchange, obligations to purchase assets (except in the ordinary course of business in accordance with past practice) and obligations to make advances or otherwise provide financial assistance to any other entity without the prior written consent of the Bank, provided however that nothing herein shall preclude the Borrowers from incurring and becoming liable for borrowed money provided the same is used by the Borrowers to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (e) **Notice of Proceedings:** The Borrowers and Guarantors, as applicable, shall cause each other to, deliver to the Bank prompt notice of any dispute, litigation, arbitration or administrative proceedings affecting any of the Assets or the Real Property that is before any court, arbitration, tribunal or governmental authority;
- (f) **No Agreements:** Except as expressly permitted herein, and/or for the purposes of securing new financing for the Borrowers to repay the Indebtedness, the Borrowers and the Guarantors, as applicable, shall not, and shall cause each other to not, enter into any agreement or employ any strategy, either directly or indirectly, which would affect the ranking of the Security, encumber, restrict or otherwise impair their Assets and/or the Real Property or the marketability thereof and the Borrowers shall work diligently toward the overall implementation of this Agreement;
- (g) **No Further Security:** The Borrowers and the Guarantors shall not, and shall cause each other to not, grant, execute or deliver any security interests, mortgages, hypothecs, liens, charges, pledges or other encumbrances whatsoever to any person, firm, corporation or other legal entity without the prior written consent of the Bank; provided however, nothing herein shall preclude the Borrowers from granting security against the Assets and/or the Real Property provided the same is delivered to secure borrowed money that is used by the Borrowers to repay the Indebtedness in accordance with and pursuant to this Agreement;

- (h) **Payment of Bonuses, Etc.:** The Borrowers shall not, and the Guarantors shall ensure that the Borrowers do not, without the prior written consent of the Bank, incur any capital expenditures, or make any payments, whether directly or indirectly, to any of their shareholders, whether by way of dividends, capital dividends, redemption or retraction of shares, bonuses or otherwise, except for salaries and other expenses in the ordinary course of business consistent with past practice;
- (i) **No Repayment to Related Persons:** Until the Indebtedness is repaid in full, there shall be no repayment of any amounts owing by the Borrowers or by the Guarantors to any “related person” as such term is defined under the BIA, without the prior written consent of the Bank;
- (j) **Notice of Event of Default:** The Borrowers and the Guarantors, and each shall ensure each other, gives to the Bank prompt notice of any Event of Default or any event which, with notice or lapse of time or both, would constitute an Event of Default;
- (k) **Statutory Remittances:** The Borrowers shall, and the Guarantors shall cause the Borrowers to, keep current, excluding the Realty Tax Arrears, all amounts owing by the Borrowers to the Crown, including, without limitation, amounts owing under the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada), the *Retail Sales Tax Act* (Ontario), the *Municipal Act* (Ontario), the *Highway Traffic Act* (Ontario), and any other federal or provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security held by the Bank against the Assets (as the case may be) (collectively, the “**Priority Payables**”). The Borrowers hereby authorize and direct any entity having information in respect of the Priority Payables to release such information to the Bank or its agents to assist the Bank in evaluating the existence and extent of any indebtedness owing by the Borrowers to such entity and the Borrowers shall at the request of the Bank execute and deliver such authorizations and consents as the Bank may require in respect of same (the “**Priority Payable Authorizations**”);
- (l) **Harmonized Sales Tax and Source Deductions:** The Borrowers shall, and the Guarantors shall cause the Borrowers to, deliver to the Bank, evidence satisfactory to the Bank, in its sole and absolute discretion, that the Borrowers are current with all amounts owing to Canada Revenue Agency in respect of source deductions and harmonized sales tax (i) as at May 15, 2023 and (ii) as at June 15, 2023. Such evidence includes but is not limited to the RT and RP reports of the Borrowers;
- (m) **Realty Tax Arrears Owing on Walnut Property:** Borrower B shall, and the Guarantors shall cause Borrower B to, deliver to the Bank on or before June 15, 2023, evidence satisfactory to the Bank that the Realty Tax Arrears have been paid in full and are current as at June 15, 2023;

- (n) **Inspection of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, an inspection of the Walnut Property on twenty-four (24) hours' notice to Borrower B and between normal business hours on a Business Day, and any costs associated with such inspection shall form part of the Indebtedness;
- (o) **Appraisal of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, a current appraisal of the Walnut Property, and any costs associated with such appraisal shall form part of the Indebtedness;
- (p) **Insurance:** Borrower B shall, and the Guarantors shall ensure that Borrower B maintains current insurance evidencing fire and other perils coverage on the Real Property;
- (q) **Equipment Suppliers:** The Borrowers shall keep current all of its obligations to third parties that have or may be granted a lien, charge or security interest in any equipment forming part of the Assets;
- (r) **No Movement of Assets:** The Assets shall not be moved or otherwise relocated from any premises where the Assets are now situated, unless it is in the ordinary course of the business of the Borrowers;
- (s) **Account Debit Authorization:** The Borrowers hereby authorize and direct the Bank to automatically debit, by mechanical, electronic or manual means, any account in the name of the Borrowers for all amounts payable under this Agreement;
- (t) **Bank Account:** The Borrowers and the Guarantors shall ensure that all monies generated by the Borrowers in the course of their respective business operations are deposited into any Account maintained by the Borrowers at the Bank, and the Borrowers shall only maintain accounts at the Bank. The Account of the Borrowers shall be closed effective on repayment of the Indebtedness;
- (u) **Compliance:** The Borrowers and the Guarantors shall comply, and each shall ensure that the other complies, in all respects with all terms and provisions of this Agreement, the Credit Agreement and the Security;
- (v) **Environmental Compliance:** Borrower B shall, and the Guarantors, as applicable, shall cause Borrower B to, comply with all applicable Environmental Laws respecting the ownership and operation of their respective businesses and keep in good standing all Environmental Permits required to operate the business;
- (w) **Co-operation On Enforcement:** Should an Event of Default occur and the Bank exercises its rights and remedies under this Agreement, the

Security or the Credit Agreement, the Borrowers shall assist, and the Guarantors shall ensure that the Borrowers assist, the Bank in the exercise of such rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets and/or Real Property and providing such assistance as is requested in the sale of same;

- (x) **Progress Reports:** The Borrowers shall deliver to the Bank, and the Guarantors shall cause the Borrowers to deliver to the Bank by no later than May 31, 2023, a signed discussion letter, commitment letter, signed offer to purchase, or similar documentation from another financial institution including all schedules as applicable, in an amount sufficient to repay all Indebtedness;
- (y) **Consent To Judgment:** The Borrowers and Guarantors shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “D” (“Consent to Judgment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and
- (z) **Consent To Appointment:** The Borrowers shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule “E” (“Consent to Appointment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

ARTICLE 7 **REPRESENTATIONS AND WARRANTIES**

7.01 Representations and Warranties: The Borrowers and the Guarantors represent and warrant to and in favour of the Bank and acknowledge that the Bank is relying upon such representations and warranties in entering into this Agreement as follows:

- (a) the Borrowers are corporations duly incorporated, organized and subsisting under the laws of the Province of Ontario;
- (b) the Borrowers have all necessary power and authority and are duly qualified and hold all necessary licenses and/or registrations to carry on business as now conducted and to enter into and perform their respective obligations under this Agreement;
- (c) the execution, delivery and performance of this Agreement by the Borrowers and the performance of their obligations hereunder:

- (i) has been duly authorized by all necessary corporate actions;
- (ii) does not conflict with or result in a breach or violation of or constitute a default under;
 - A. the constating documents or by-laws of the Borrowers;
 - B. any law, rule, regulation, order, judgment, writ, injunction or decree applicable to the Borrowers; and
 - C. any commitment, agreement or other instrument to which the Borrowers are now party or otherwise bound; and
- (iii) does not require the consent or approval of any third party;
- (d) there are no proceedings nor any circumstances or material facts which could give rise to any proceedings, in which it is alleged on reasonable grounds that Borrower B or its predecessors are potentially responsible for clean-up or remediation of lands contaminated with Hazardous Substances or for any other remedial or corrective action under any Environmental Laws;
- (e) there are no circumstances, to the knowledge of Borrower B, that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding (i) the release or presence of a Hazardous Substance on the Real Property, or (ii) the violation of any Environmental Laws by the Borrower, its respective employees, agents or others for which Borrower B is responsible in law;
- (f) all Hazardous Substances disposed of, treated or stored on the Real Property have been disposed of, treated and stored in compliance in all material respects with all Environmental Laws;
- (g) save and except for the Realty Tax Arrears, all amounts owing by the Borrowers under the *Income Tax Act (Canada)*, *Excise Tax Act (Canada)*, *Retail Sales Tax Act (Ontario)* and any other federal or provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security, are current, including, without limitation, source deductions and harmonized sales tax and there are no amounts owing to Canada Revenue Agency, the Province of Ontario, or any other federal or provincial government agency or body that may give rise to the issuance of a third party requirement to pay or any similar such demand notice;
- (h) there is no matter, fact or event which is known to the Borrowers or the Guarantors that has not been disclosed to the Bank which constitutes an Event of Default or is likely to have a material adverse affect on the performance of their respective obligations under this Agreement, or have

a material adverse effect on the Assets and/or the Real Property or the operations of the Borrowers, and the Borrowers have conducted such investigations as they consider reasonably necessary to make this representation and warranty; and

- (i) no proceeding or action has been taken or commenced by any person against the Borrowers or the Guarantors in respect of any amounts owing by the Borrowers to any person.

7.02 Non-Merger: The representations and warranties set forth herein shall survive the execution and delivery of this Agreement, and shall continue in full force and effect until the repayment of the Indebtedness.

ARTICLE 8 **SECURITY**

8.01 Security: The Security shall continue to be held by the Bank hereunder.

8.02 Cross Collateralization: All Security held by the Bank shall be held as security for all Indebtedness. For greater certainty, the Borrowers and the Guarantors hereby acknowledge and agree that upon the occurrence of an Event of Default, the Bank shall be entitled to enforce its rights under the Security, or any part thereof, against the Assets and/or the Real Property, or any portion thereof, to the extent of the Indebtedness;

8.03 Access to the Assets and/or the Real Property: The Borrowers shall provide, and the Guarantors shall ensure that Borrowers provide, access to the Bank or its agents during normal business hours, to enter the Business Premises or any property where the Assets are located to inspect the Assets and/or the Real Property or to have appraisals made of the Assets and/or the Real Property, or to conduct environmental investigations in respect of the Real Property, and to examine and make copies of all books and records relating thereto, including any books and records required by the Bank, its representatives or agents to confirm, among other things, that the Priority Payables are current. All costs in connection with such appraisals, valuations, environmental reports, testing and enquires shall form and are hereby deemed to form part of the Indebtedness.

ARTICLE 9 **DEFAULT**

9.01 Events of Default: Each of the following events shall constitute an Event of Default under this Agreement:

- (a) any default or failure in the observance or performance of any payment, covenant, obligation or agreement contained herein and/or under the Security and/or under the Credit Agreement by the Borrowers and/or the Guarantors;

- (b) the occurrence of any Event of Default under this Agreement, the Security, and/or the Credit Agreement;
- (c) any representation, warranty or statement contained herein and/or in the Security and/or in the Credit Agreement which is or proves to be untrue or incorrect;
- (d) the receipt by the Bank of a demand or requirement for payment from the Canada Revenue Agency, the Province of Ontario, or any other federal or provincial governmental agency or body, as a result of arrears of monies owing by the Borrowers, which shall include, without limitation, on account of employee source deductions, harmonized sales tax, corporate tax, employee health tax, employee vacation pay, provincial pension contributions, or municipal property taxes;
- (e) the Bank determining, acting in its sole and absolute discretion, that an adverse change has occurred in the financial condition, ownership structure or composition or operation of the Borrowers;
- (f) the Borrowers taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrowers in respect of the liquidation, dissolution or winding-up of the Borrowers, including, without limitation, any action or proceeding under the *Winding Up and Restructuring Act*, the *Business Corporations Act* (Ontario), or other similar legislation whether now or hereinafter in effect;
- (g) the Borrowers taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrowers relating to the reorganization, readjustment, compromise or settlement of the debts owed by the Borrowers to their creditors where such reorganization, readjustment, compromise or settlement affects a substantial portion of the Assets and/or Real Property, including, without limitation, the filing of a notice of intention to make a proposal or the filing of a proposal pursuant to the provisions of the BIA, the making of an order under the *Companies Creditors Arrangements Act (Canada)* or the commencement of any similar action or proceeding by the Borrower;
- (h) the Borrowers committing or threatening to commit any act of bankruptcy pursuant to or set out under the provisions of the BIA;
- (i) the filing of a bankruptcy application for a bankruptcy order against the Borrowers pursuant to the provisions of the BIA;
- (j) any execution, sequestration or other process of any court or other tribunal becoming enforceable against the Borrowers or a distress or

analogous action or proceeding being taken, commenced or issued against the Borrowers or levied upon or in respect of the Assets and/or the Real Property or any part thereof, or any lien, trust claim or any other right or entitlement against or in respect of the Assets and/or the Real Property or any part thereof becoming effective, including, without limitation, a warrant of distress of any rent in respect of any premises occupied by the Borrowers or any premises in or upon which the Assets and/or the Real Property or any part thereof may at any time be situate; and

- (k) a receiver, receiver and manager, agent, liquidator or other similar administrator being appointed in respect of the Assets and/or the Real Property, or any part thereof, or the taking by a secured party, lien claimant, other encumbrancer, judgment creditor or a person asserting similar rights of possession to the Assets and/or the Real Property or any part thereof.

9.02 Waiver: The Bank may waive in writing any Event of Default, in its sole and absolute discretion, but no such waiver shall constitute a waiver of any other Event of Default.

ARTICLE 10 **REMEDIES ON DEFAULT**

10.01 Enforcement: Upon the occurrence of an Event of Default:

- (a) the Bank may immediately terminate its agreement to forbear as set forth in section 5.02 hereof and shall be entitled to enforce all of its rights and remedies against the Borrowers and the Guarantors under the Credit Agreement and/or the Security; and
- (b) the Borrowers shall assist the Bank, and the Guarantors shall ensure that the Borrowers assist the Bank, in the exercise of its rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets and/or the Real Property, or any part thereof, and providing such assistance as is requested in the sale of same;
- (c) the Borrowers hereby consent to the Bank immediately enforcing its rights under this Agreement, the Credit Agreement and the Security, including, without limitation, the appointment of a receiver or receiver and manager, by way of private appointment or on an application to the Superior Court of Justice (Ontario) (Commercial List), against the Assets and/or the Real Property; and
- (d) the Borrowers and Guarantors shall, forthwith upon receipt from the Bank or its counsel of a Notice of Disposition pursuant to the provisions of subsection 63(4) of the *Personal Property Security Act* (Ontario), consent to the immediate disposition of the Assets by the Bank and should the

Borrowers or Guarantors or any one of them, fail to execute such consent when requested to do so by the Bank, the agreement of the Borrowers or the Guarantors to do so herein shall be deemed to constitute the irrevocable consent of the Borrowers and Guarantors to the immediate disposition of the Assets by the Bank;

- (e) the Borrowers and Guarantors shall, forthwith upon receipt of notice of the filing by the Bank of a bankruptcy application for a bankruptcy order against the Borrowers, forthwith consent to an immediate bankruptcy order being made against the Borrowers, and should the Borrowers fail to execute such consent when requested to do so by the Bank, the consent of the Borrowers to do so herein shall be deemed to constitute the irrevocable consent to such bankruptcy order;
- (f) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Judgment referenced in subsection 6.01(y); and
- (g) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Appointment referenced in subsection 6.01(z).

ARTICLE 11 **GENERAL**

- 11.01 Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or discussions between the Parties whether written or oral.
- 11.02 Headings:** The headings in this Agreement are provided for convenience of reference only and should not be considered to form part hereof for the purpose of interpreting or construing or applying this Agreement and such headings shall not define, limit, extend or describe the scope of this Agreement or any of its terms and conditions.
- 11.03 Schedules:** Schedules "A", "B", "C", "D" and "E" attached hereto form an integral part of this Agreement.
- 11.04 Severability:** If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and shall remain valid and enforceable.
- 11.05 Notices:** Any notice required or permitted to be given hereunder or any tender or delivery of documents may be given in writing by personal delivery, facsimile or other electronic transmission to the Borrowers, the Guarantors and the Bank at the following addresses:

To the Borrowers and Guarantors at:

113-115 Walnut Avenue
Toronto, Ontario M5V 2S1
Attn: Joao Paul Henriques also known as John Paul Henriques
Email: joao.henriques@me.com

To the Bank at:

3140 Dufferin Street
Toronto, Ontario M6A 2T1
Attn: Abner Pennings
Fax: 226-499-1985
Email: abner.pennings@td.com

with a courtesy copy to:**Minden Gross LLP**

145 King Street West
Suite 2200
Toronto, Ontario M5H 4G2
Attn: Rachel Moses
Fax: 416-369-4115
Email: rmoses@mindengross.com

The date of receipt of such notice shall be the date of the actual delivery to the address specified if delivered or the date of actual transmission to the telecopier number (if telecopied) or the date of actual electronic transmission, unless such date is not a Business Day, in which event the date of receipt shall be the next Business Day immediately following the date of such delivery or transmission.


- 11.06 No Prejudice:** The provisions hereof shall operate and apply without prejudice to any rights which the Bank may now or in the future have in respect of the Indebtedness, or other liabilities or obligations, whether direct or indirect, matured or not, contingent or otherwise, of the Borrowers to the Bank.
- 11.07 Successors and Assigns:** This Agreement may be assigned by the Bank in its sole and absolute discretion, but shall not be assigned by the Borrowers or the Guarantors unless authorized by the Bank in writing and this Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, permitted assigns, heirs and legal personal representatives (as applicable).
- 11.08 Timely Performance:** It is intended by all Parties to this Agreement that all obligations hereunder will be performed strictly in accordance with the provisions of this Agreement and in a timely manner, with time being of the essence hereof.

Accordingly, should default occur in the timely performance of any of the obligations by the Borrowers for any reason, whether within or beyond its control, the Bank shall, upon the occurrence of such default, be entitled to rely strictly on its rights and remedies as set forth in this Agreement and under the Credit Agreement and the Security.

- 11.09 Relationship of Parties:** Nothing in this Agreement shall be construed to change the relationship existing between the Borrowers and the Bank to one other than the debtor/creditor relationship as it now exists. This Agreement is not entered into, nor shall it create, a partnership, joint venture or agency relationship between the Bank and any of the Parties hereto.
- 11.10 Counterparts and Electronic Execution:** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same agreement. A facsimile or other electronic transmission received by each Party of the other Parties signatures shall serve to confirm the execution thereof by each such party.
- 11.11 Governing Law:** This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada as are applicable therein.
- 11.12 No Amendment:** This Agreement shall not be amended unless such amendments are in writing and signed by all Parties.
- 11.13 Further Assurances:** The Borrowers and the Guarantors each hereby agree to sign or execute all such other documents and do such other things as may be necessary or desirable for more completely and effectively carrying out the terms and intentions of this Agreement.
- 11.14 Acceptance:** The Borrowers and the Guarantor hereby acknowledge and agree to and with the Bank that on or before 4:00 p.m. on May 19, 2023, the Bank shall have received: (i) a copy of this Agreement executed by the Borrowers and the Guarantors; (ii) originals of the Consent to Judgment and Appointment to Receiver; and (iii) receipt by wire to Minden Gross of the amounts of \$5,000.00 and \$20,000.00. In the event any of these conditions precedent to the Bank agreeing to forbear have not been satisfied, the Bank may elect to rely upon its rights and remedies under the Credit Agreement, the Security or otherwise.

IN WITNESS WHEREOF the Parties hereto have duly executed this Agreement with effect as and from the date first written above.

THE TORONTO-DOMINION BANK

Per: 
Name: Abner Pennings
Title: Account Manager,
Financial Restructuring Group

I Have Authority to Bind the Bank

IMAGES LIFE MEDIA INC.

Per: _____
Name: _____
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

2531509 ONTARIO INC.

Per: _____
Name: _____
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

WITNESS

**JOAO PAUL HENRIQUES also known
as JOHN PAUL HENRIQUES**

SCHEDULE "A"
GUARANTEES

1. Guarantee of Advances Unlimited dated December 24, 2020, executed and delivered to and in favour of the Bank by Borrower A for the debts of Borrower B;
2. Guarantee of Advances Unlimited dated December 24, 2020, executed and delivered to and in favour of the Bank by Borrower B for the debts of Borrower A; and
3. Guarantee of Advances Unlimited dated December 24, 2020, executed and delivered to and in favour of the Bank by the Personal Guarantor for the debts of the Borrowers.

SCHEDULE "B"
SECURITY

1. General Security Agreement dated December 24, 2020 executed and delivered to and in favour of the Bank by Borrower A;
2. General Security Agreement dated December 24, 2020 executed and delivered to and in favour of the Bank by Borrower B; and
3. Charge/Mortgage of Land in the amount of \$3,250,000.00 registered against the Walnut Property on December 30, 2020 as registration number AT5611674.
4. Notice of Assignment of Rents registered against the Walnut Property on December 30, 2020 as registration number AT5611675.

SCHEDULE "C"
WIRE INSTRUCTIONS – MINDEN GROSS LLP

WIRE TRANSFER DETAILS
\$ CDN

ROYAL BANK OF CANADA

WIRE INSTRUCTION
MIXED TRUST ACCOUNT
 (\$CAN FUNDS)

FUNDS MUST BE SENT BY WIRE TRANSFER ONLY

DIRECT DEPOSITS, BRANCH TO BRANCH TRANSFERS AND CHEQUES WILL BE HELD FOR 10 BUSINESS DAYS

Bank Name (For Beneficiary's Bank):	ROYAL BANK OF CANADA
Bank No. (Beneficiary's Bank):	003
Branch/Transit No. (Beneficiary's Bank):	06012
SWIFT Routing Number (Beneficiary's Bank):	ROYCCAT2
Bank Address (Beneficiary's Bank):	20 King Street West Branch Toronto, ON M5H 1C4 c/o 200 Bay Street Toronto, ON M5J 2J5
Bank Location (Country):	Canada
Beneficiary's Bank Account Number:	060121022227
Beneficiary Account Name: and address:	MINDEN GROSS LLP Suite 2200, 145 King Street West Toronto, ON M5H 4G2
Name of Solicitor Expecting Funds /Client/Matter /etc.:	Rachel Moses
Contact Name: Phone: no:	Melissa Lyttleton (416)-362-3711 ext. 1238
Email Address:	mlyttleton@mindengross.com

**SCHEDULE "D"
CONSENT TO JUDGMENT**

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC. and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

CONSENT

The undersigned consent to Judgment, in substantially the same form as that attached hereto as **Schedule "A"**, being entered against them. The undersigned also certify that the Judgment being sought herein does not affect the rights of any person under disability.

DATED this day of , 2023.

IMAGES LIFE MEDIA INC.

2531509 ONTARIO INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I Have Authority to Bind the Corporation

I Have Authority to Bind the Corporation

Witness

**JOAO PAUL HENRIQUES also known
as JOHN PAUL HENRIQUES**

1. **IT IS ORDERED AND ADJUDGED** that the defendant, Images Life Media Inc., shall pay to the plaintiff, TD, the sum of \$ _____ in respect of its unlimited guarantee dated December 24, 2020, in respect of the debts, liabilities and obligations of 2531509 Ontario Inc.

2. **IT IS ORDERED AND ADJUDGED** that the defendant, 2531509 Ontario Inc., shall pay to the plaintiff, TD, the sum of \$ _____ in respect of its unlimited guarantee dated December 24, 2020, in respect of the debts, liabilities and obligations of Images Life Media Inc.

3. **IT IS ORDERED AND ADJUDGED** that the defendant, Joao Paul Henriques also known as John Paul Henriques, shall pay to the plaintiff, TD, the sum of \$ _____ in respect of his unlimited guarantee dated December 24, 2020, in respect of the debts, liabilities and obligations of Images Life Media Inc. and 2531509 Ontario Inc.

4. **IT IS ORDERED AND ADJUDGED** that the defendants, Images Life Media Inc., 2531509 Ontario Inc. and Joao Paul Henriques also known as John Paul Henriques, shall pay to the plaintiff, TD, the sum of \$ _____ in respect of costs incurred by the plaintiff, TD, in respect of this motion.

THIS JUDGMENT BEARS INTEREST as follows:

(a) On the judgment debt of \$ _____ as set out in above paragraph 1 payable by the defendant, Images Life Media Inc., to TD, at the highest interest rate applicable to any of the Obligations (as defined in Section 2 “Obligations Secured” of the Guarantee of Unlimited Advances executed and delivered by Images Life Media Inc. and in favour of the Bank) from the date of judgment.

(b) On the judgment debt of \$ _____ as set out in above paragraph 2 payable by the defendant, 2531509 Ontario Inc., to TD, at the highest interest rate applicable to any of the Obligations (as defined in Section 2 “Obligations Secured” of the Guarantee of Unlimited Advances executed and delivered by 2531509 Ontario Inc. and in favour of the Bank) from the date of judgment.

(c) On the judgment debt of \$ _____ as set out in above paragraph 3 payable by the defendant, Joao Paul Henriques also known as John Paul Henriques, to TD, at the highest interest rate applicable to any of the Obligations (as defined in Section 2 “Obligations Secured” of the Guarantee of Unlimited Advances executed and delivered by Joao Paul Henriques also known as John Paul Henriques and in favour of the Bank) from the date of judgment.

(d) On the costs of \$ _____ as set out in above paragraph 4 payable by the defendants, Images Life Media Inc., 2531509 Ontario Inc. and Joao Paul Henriques also known as John Paul Henriques, at the highest interest rate applicable to any of the Obligations (as defined in Section 2 "Obligations Secured" of the Guarantees of Unlimited Advances executed and delivered by Images Life Media Inc., 2531509 Ontario Inc. and Joao Paul Henriques also known as John Paul Henriques and in favour of the Bank) from the date of judgment.

SCHEDULE "E"**CONSENT TO RECEIVER****TO: The Toronto-Dominion Bank (the "Lender")****AND TO: Its solicitors, Minden Gross LLP**

Images Life Media Inc. and 2531509 Ontario Inc. (the "**Debtors**") hereby consent to: (i) the immediate appointment by the Lender of a private receiver or receiver and manager in respect of the Debtors' assets, property and undertaking, including the real property municipally known as 113-115 Walnut Avenue, Toronto, Ontario and any and all of the Debtors' books and records (collectively, the "**Assets**"); and/or (ii) the immediate appointment by Court Order in substantially the form attached hereto as Schedule "A" of a receiver or receiver and manager of the Assets pursuant to subsections 47(1) and 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*.

DATED this day of , 2023.

IMAGES LIFE MEDIA INC.**2531509 ONTARIO INC.**

Per: _____

Per: _____

Name:

Name:

Title:

Title:

I Have Authority to Bind the Corporation

I Have Authority to Bind the Corporation

Schedule A
ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEEKDAY, THE #
)	
JUSTICE)	DAY OF MONTH, 20YR

THE TORONTO-DOMINION BANK¹

Plaintiff

- and -

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC. and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES

Defendants

ORDER
(appointing Receiver)

THIS MOTION made by the Plaintiff² for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing [RECEIVER'S NAME] as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Images Life Media Inc. and 2531509 Ontario Inc. (collectively, the "Debtors"), including the real property municipally known as 113-115 Walnut Avenue, Toronto, Ontario acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

¹ The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

ON READING the affidavit of [NAME] sworn [DATE] and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of [RECEIVER'S NAME] to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, [RECEIVER'S NAME] is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to businesses carried on by the Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

² Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

³ If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's

name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$_____, provided that the aggregate consideration for all such transactions does not exceed \$_____; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,]⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;

⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the

granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any

employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the

Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

⁶ Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP


21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$_____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.


26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day

following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

[RECEIVER'S NAME], solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

This is Exhibit "O" referred to
in the Affidavit of Abner Pennings
Sworn this 28th
day of June, 2023.

Chiu

.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

From: Rachel Moses
Sent: Wednesday, May 24, 2023 5:30 PM
To: joa.henriques@me.com; joao@vybelife.com
Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Hello Mr. Henriques,

I am following up on my email sent on May 12, 2023, attaching the forbearance agreement (see below). As we advised you, the sign back deadline expired on May 19, 2023 and we have not received any communication from you or your lawyer. We wish to advise that the Bank is prepared to extend, on a one-time only basis, the sign back deadline to **May 31, 2023**, failing which the Bank will move forward with enforcement of its rights and remedies, as it is entitled to do so under the credit and security documents.

If you wish to discuss this matter further, please do not hesitate to directly contact me or through your lawyer.

Rachel Moses | T: 416.369.4115 | F: 416.864.9223 | www.mindengross.com



From: Rachel Moses
Sent: Friday, May 12, 2023 10:03 AM
To: joao.henriques@me.com; joao@vybelife.com
Cc: Christine Cavarzan <ccavarzan@mindengross.com>
Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Hello Mr. Henriques,

As you are aware, we are the lawyers for TD in respect of the indebtedness owing by the Borrowers. Further to your confirming email to Mr. Pennings, please find attached the Forbearance Agreement ("FA") with Schedules for your review and execution. You have been advised on multiple occasions to retain legal counsel in respect of same. We wish to point out, among other things, the following dates:

- Article 5 – the **Forbearance Period** ends on **June 19, 2023**. At this time, all Indebtedness must be repaid in full to TD.
- Article 5.03 – the **Forbearance Fee is \$10,000.00**; \$5,000 will be paid at the time of execution of the FA and the balance will be paid at the time of repayment, i.e., no later than June 19, 2023.
- Article 6.01:
 - **(n) Harmonized Sales Tax and Source Deductions:** The Borrowers shall, and the Guarantors shall cause the Borrowers to, deliver to the Bank, evidence satisfactory to the Bank, in its sole and absolute discretion, that the Borrowers are current with all amounts owing to Canada Revenue Agency in respect of source deductions and harmonized sales tax (i) as at **May 15, 2023** and (ii) as at **June 15, 2023**. Such evidence includes but is not limited to the RT and RP reports of the Borrowers;
 - **(m) Realty Tax Arrears Owing on Walnut Property:** Borrower B shall, and the Guarantors shall cause Borrower B to, deliver to the Bank on or before **June 15, 2023**, evidence satisfactory to the Bank that the Realty Tax Arrears have been paid in full and are current as at June 15, 2023;

- (n) **Inspection of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, an inspection of the Walnut Property on twenty-four (24) hours' notice to Borrower B and between normal business hours on a Business Day, and any costs associated with such inspection shall form part of the Indebtedness;

- (o) **Appraisal of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, a current appraisal of the Walnut Property, and any costs associated with such appraisal shall form part of the Indebtedness;

- (t) **Bank Account:** The Borrowers and the Guarantors shall ensure that all monies generated by the Borrowers in the course of their respective business operations are deposited into any Account maintained by the Borrowers at the Bank, and the Borrowers shall only maintain accounts at the Bank. **The Account of the Borrowers shall be closed effective on repayment of the Indebtedness;**

- (x) **Progress Reports:** The Borrowers shall deliver to the Bank, and the Guarantors shall cause the Borrowers to deliver to the Bank by no later than **May 31, 2023**, a signed discussion letter, commitment letter, signed offer to purchase, or similar documentation from another financial institution including all schedules as applicable, in an amount sufficient to repay all Indebtedness;

- (y) **Consent To Judgment:** The Borrowers and Guarantors shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “D” (“Consent to Judgment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and

- (z) **Consent To Appointment:** The Borrowers shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule "E"** ("**Consent to Appointment**"), provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

PLEASE NOTE THE SIGN BACK DEADLINE EXPIRES AT 4 P.M. ON FRIDAY, MAY 19, 2023. Should you or your lawyers have any questions, please contact me.

In the interim, the Bank reserves all of its rights and remedies.



RACHEL MOSES

T: [416.369.4115](tel:416.369.4115) F: 416.864.9223 www.mindengross.com

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Rachel Moses](#)

MERITAS LAW FIRMS WORLDWIDE

This communication is for the use of the individual or entity named herein and contains information that may be privileged and confidential. If you are not the intended recipient, any dissemination, distribution or copying of this message or its contents is strictly prohibited. If you have received this message in error, please advise the sender immediately.

This is Exhibit "P" referred to
in the Affidavit of Abner Pennings

Sworn this 28th

day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

From: Rachel Moses

Sent: Monday, June 05, 2023 9:46 AM

To: joao@vybelife.com; joao.henriques@me.com

Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Rachel Moses | T: 416.369.4115 | F: 416.864.9223 | www.mindengross.com



Hello Mr. Henriques,

This will confirm our call from Thursday, June 1, 2023.

- In April 2020, after payment demands were made, you requested that the Bank not enforce its rights and remedies.
- The Bank agreed to a forbearance, and in this regard, sent you an email on May 2, 2023, setting out the key terms to any proposed forbearance agreement. During this time, the Bank recommended that you obtain legal counsel.
- By reply email sent on May 8, 2023, you advised the Bank that you are agreeable to a forbearance agreement with the key terms proposed on May 2, 2023.
- Based on your confirmation, you were provided with the forbearance agreement on May 12, 2023, with a sign back deadline of May 19, 2023.
- No further communication was received from you.
- On May 24, 2023, we sent a follow up email to you and the Bank extended the sign back deadline to May 31, 2023.
- No further communication was received from you and the sign back deadline expired.
- Yesterday, you advised that you have been unwell and recovering from pneumonia. You also advised that you wanted a lawyer to review the forbearance agreement and that you were in the process of retaining a

lawyer. You mentioned that you had consulted with a friend who is a lawyer (not for this matter) and I asked that you have that lawyer contact me.

- You further advised that the property has received interest, but no firm offers.
- I communicated to you that the status quo could not continue and that the Bank has made accommodations and is prepared to provide a further accommodation by extending the sign back deadline to June 16, 2023 and the repayment date in the forbearance agreement to July 31, 2023. In total, this is a 5 week period to consider the terms, and if acceptable to you, to sign the forbearance agreement.
- We have attached a new forbearance agreement (clean copy for execution) and a redline of the changes.
- We again strongly recommend that you retain a lawyer and that this matter be treated with urgency. The date to repay the Bank is July 31, 2023 and payment demands have been outstanding since May 1, 2023. The status quo cannot continue, especially as realty taxes are not being paid.

If you wish to discuss this matter further, please do not hesitate to directly contact me or through your lawyer.

Rachel Moses | T: 416.369.4115 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS WORLDWIDE

From: Rachel Moses

Sent: Wednesday, May 24, 2023 5:30 PM

To: joa.henriques@me.com; joao@vybelife.com

Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Hello Mr. Henriques,

I am following up on my email sent on May 12, 2023, attaching the forbearance agreement (see below). As we advised you, the sign back deadline expired on May 19, 2023 and we have not received any communication from you or your lawyer. We wish to advise that the Bank is prepared to extend, on a one-time only basis, the sign back deadline to **May 31, 2023**, failing which the Bank will move forward with enforcement of its rights and remedies, as it is entitled to do so under the credit and security documents.

If you wish to discuss this matter further, please do not hesitate to directly contact me or through your lawyer.

Rachel Moses | T: 416.369.4115 | F: 416.864.9223 | www.mindengross.com



MERITAS LAW FIRMS WORLDWIDE

From: Rachel Moses

Sent: Friday, May 12, 2023 10:03 AM

To: joa.henriques@me.com; joao@vybelife.com

Cc: Christine Cavarzan <ccavarzan@mindengross.com>

Subject: Personal and Confidential: TD and Images Life Media Inc. and 2531509 Ontario Inc. (the "Borrowers")

Hello Mr. Henriques,

As you are aware, we are the lawyers for TD in respect of the indebtedness owing by the Borrowers. Further to your confirming email to Mr. Pennings, please find attached the Forbearance Agreement ("FA") with Schedules for your

review and execution. You have been advised on multiple occasions to retain legal counsel in respect of same. We wish to point out, among other things, the following dates:

- Article 5 – the **Forbearance Period** ends on **June 19, 2023**. At this time, all Indebtedness must be repaid in full to TD.
- Article 5.03 – the **Forbearance Fee is \$10,000.00**; \$5,000 will be paid at the time of execution of the FA and the balance will be paid at the time of repayment, i.e., no later than June 19, 2023.
- Article 6.01:
 - **(n) Harmonized Sales Tax and Source Deductions:** The Borrowers shall, and the Guarantors shall cause the Borrowers to, deliver to the Bank, evidence satisfactory to the Bank, in its sole and absolute discretion, that the Borrowers are current with all amounts owing to Canada Revenue Agency in respect of source deductions and harmonized sales tax (i) as at **May 15, 2023** and (ii) as at **June 15, 2023**. Such evidence includes but is not limited to the RT and RP reports of the Borrowers;
 - **(m) Realty Tax Arrears Owing on Walnut Property:** Borrower B shall, and the Guarantors shall cause Borrower B to, deliver to the Bank on or before **June 15, 2023**, evidence satisfactory to the Bank that the Realty Tax Arrears have been paid in full and are current as at June 15, 2023;

- (n) **Inspection of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, an inspection of the Walnut Property on twenty-four (24) hours' notice to Borrower B and between normal business hours on a Business Day, and any costs associated with such inspection shall form part of the Indebtedness;

- (o) **Appraisal of Walnut Property:** The Borrowers shall consent to the Bank obtaining, at the Bank's discretion, a current appraisal of the Walnut Property, and any costs associated with such appraisal shall form part of the Indebtedness;

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- (x) **Progress Reports:** The Borrowers shall deliver to the Bank, and the Guarantors shall cause the Borrowers to deliver to the Bank by no later than **May 31, 2023**, a signed discussion letter, commitment letter, signed offer to purchase, or similar documentation from another financial institution including all schedules as applicable, in an amount sufficient to repay all Indebtedness;

- (y) **Consent To Judgment:** The Borrowers and Guarantors shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “D” (“Consent to Judgment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and

- (z) **Consent To Appointment:** The Borrowers shall, contemporaneously with their execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule “E” (“Consent to Appointment”)**, provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

PLEASE NOTE THE SIGN BACK DEADLINE EXPIRES AT 4 P.M. ON FRIDAY, MAY 19, 2023. Should you or your lawyers have any questions, please contact me.

In the interim, the Bank reserves all of its rights and remedies.



RACHEL MOSES

T: [416.369.4115](tel:416.369.4115) F: 416.864.9223 www.mindengross.com

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Rachel Moses](#)

MERITAS LAW FIRMS WORLDWIDE

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This is Exhibit "Q" referred to
in the Affidavit of Abner Pennings

Sworn this 28th
day of June, 2023.



.....
A Commissioner for Taking Affidavits

Carol Liu / LSO#84938G

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

CONSENT

Albert Gelman Inc. hereby agrees to act as Receiver in the above-noted matter.

DATED at **TORONTO**, Ontario this 28th day of June, 2023.

Albert Gelman Inc.

Per:  _____

Name: Bryan Gelman, Managing director

Title:

BETWEEN

THE TORONTO-DOMINION BANK
Plaintiff

-and-

IMAGES LIFE MEDIA INC., et al
Defendants
Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

CONSENT

MINDEN GROSS LLP

Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO# 42081V)

rmoses@mindengross.com
Tel: 416-369-4115

Lawyers for the Plaintiff,
The Toronto-Dominion Bank

(File No. 4132528)



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANT(S):

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date _____ Issued by _____
Local Registrar
Address of 330 University Avenue, 8th Floor
court office: Toronto ON M5G 1R7

TO: **IMAGES LIFE MEDIA INC.**
115 Walnut Avenue
Toronto ON M5V 2S1

AND TO: **2531509 ONTARIO INC.**
115 Walnut Avenue
Toronto ON M5V 2S1

AND TO: **JOAO PAUL HENRIQUES**
also known as JOHN PAUL HENRIQUES
115 Walnut Avenue
Toronto ON M5V 2S1

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CLAIM

1. The plaintiff, The Toronto-Dominion Bank (“**TD**”), claims as against the defendants, Images Life Media Inc. (“**Images**”), and 2531509 Ontario Inc. (“**253**”), (collectively, the “**Debtors**”) as follows:

- (a) An order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, appointing Albert Gelman Inc. as receiver (in such capacity, the “**Receiver**”), without security, over all of the assets, undertakings and property of the Debtors; and
- (b) Payment of the indebtedness owing by the Debtors to TD.

2. TD claims against the defendant, Joao Paul Henriques also known as John Paul Henriques:

- (a) payment in the sum \$3,852,688.23 under Mr. Henriques’ unlimited guarantee of debts, liabilities and obligations of the Debtors to TD, plus interest thereon from June 27, 2023 to the date of judgment at the highest rate of interest per annum, both before and after judgment, in accordance with section 7 of the Guarantee (as defined herein and described more fully at paragraph 26 below), plus all costs, including legal fees and disbursements, in accordance with the Guarantee.

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3. TD claims against the defendants collectively:
 - (a) in the alternative to paragraph 2(a), pre-judgment interest from June 27, 2023 and post-judgment interest, in accordance with sections 128 and 129 of the *Courts of Justice Act*;
 - (b) the costs of this proceeding on a full indemnity basis, plus all applicable taxes; and
 - (c) such further and other relief as to this Honourable Court may seem just.

The Parties

4. TD is a chartered bank with offices in Toronto, Ontario.
5. Images is an Extra-Provincial Federal Corporation, with its registered head office address at 113-115 Walnut Avenue, Toronto, Ontario (the "**Walnut Property**"). Images' business is in the videography, filmmaking, photography, editing and post-production services in relation to weddings and special events.
6. 253 is incorporated pursuant to the laws of Ontario. Its registered head office address is at the Walnut Property. 253 is a holding company which owns the Walnut Property.
7. The debts of Images and 253 are cross collateralized.

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8. Mr. Henriques is an individual residing in the Province of Ontario. Mr. Henriques is the founder of Images and an officer and/or director of the Debtors and personally guaranteed the indebtedness of the Debtors to TD.

Credit Agreement and Security

9. The Debtors are directly indebted to TD in connection with i) a committed reducing term facility (single-draw) in the amount of \$283,487.00 (the “**Term Facility**”) in favour of Images, ii) a demand operating facility in the amount of \$300,000.00 (the “**Demand Facility**”) in favour of Images, iii) a committed reducing term facility in the amount of \$2,912,603.00 (single-draw) (the “**Mortgage Loan**”) in favour of 253, iv) a HASCAP term facility in the amount of \$250,000.00 (the “**HASCAP Facility**”) in favour of Images and v) a Visa business facility in the amount of \$50,000.00 (the “**Visa Facility**”) established under a credit facilities letter agreement dated January 4, 2022 and together with Schedule A – Standard Terms and Conditions and TD Business Credit Card Agreement dated January 12, 2021 are collectively the “**Credit Agreement**”.

10. The Term Facility, the Demand Facility, the Mortgage Loan, the HASCAP Facility and the Visa Facility are collectively referred to as the “**Credit Facilities**”.

11. Under the Credit Agreement, Images agreed to repay the Demand Facility on demand.

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12. Pursuant to the “Reporting Covenants” section of the Credit Agreement, the Debtors agreed to provide the following to TD:

- a) Annual notice to reader financial statements for 253 within 120 calendar days of fiscal year end.
- b) Annual notice to reader financial statements for Images within 120 calendar days of fiscal year end.
- c) Delivery of a Personal Financial Statement and Privacy Agreement from Mr. Henriques and such supporting documentation as TD may reasonably request, and at minimum every 3 years.
- d) Provide confirmation to TD on an annual basis that property taxes are current, such confirmation to be in a format acceptable to TD.

13. The “Negative Covenants” section of the Credit Agreement provides:

“So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule “A”. In addition the Borrower will ensure that its subsidiaries and each of the Guarantors will:

Assigned Facilities	Description
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All) No subsequent encumbrances shall be permitted without the prior written consent of the Bank.”

14. Section 6 “Standard Representations and Warranties” under the Credit Agreement provides:

- g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are not outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and workers’ compensation dues are currently paid and up to date.
- h) If the Bank Security includes a charge on real property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real property with good and marketable title in fee simple thereto, free from all easements, rights-of-way, agreements, restrictions, mortgages, liens, executions and other encumbrances, save and except for those approved by the Bank in writing.”

15. Section 7 “Standard Positive Covenants” under the Credit Agreement provides:

“So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

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- (a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- (e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- (f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- (g) Provide the Bank with information and financial data as it may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty in Section 6(i)."

16. Section 8 "Standard Negative Covenants" under the Credit Agreement provides:

"So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- (a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of

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its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any set out in the Letter.”

17. Pursuant to the “Events of Default” section of the Credit Agreement, the following events, among others, constitute an “Event of Default” entitling TD, in its sole discretion, to realize on all or any portion of any Security (as defined in the Credit Agreement):

- (a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.
- (b) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable to being remedies, the default continues unremedied for 5 Business Days after the occurrence.

18. TD pleads and relies upon all of the terms of the Credit Agreement.

19. As security for the Credit Facilities, the Debtors granted TD a general security agreement signed by each of Images and 253 on December 24, 2020 (collectively the “**GSA**”), registration in respect of which was duly made pursuant to the Personal Property Security Act (Ontario) (the “**PPSA**”).

20. Pursuant to the “Remedies” section of the GSA, upon default, TD is entitled to appoint a receiver.

21. TD pleads and relies upon all of the terms of the GSA.

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22. In support of, and as further security for the Debtors' obligations under the Credit Agreement, 253 granted a Charge/Mortgage to TD registered as Instrument No. AT5611674 on December 30, 2020, in the principal amount of \$3,250,000.00, payable on demand, in connection with the Walnut Property, including TD Standard Charge Terms 8520. In addition, a Notice of Assignment of Rents was registered against the Walnut Property as Instrument No. AT5611675 (TD Charge/Mortgage, Standard Charge Terms 8520 together with the Notice of Assignment of Rents are collectively, the "**Mortgage Security**").

23. Pursuant to the "Appointment of Receiver" section of the Mortgage Security, upon default, TD is entitled to appoint a receiver.

24. TD pleads and relies upon all of the terms of the Mortgage Security.

25. In support of, and as further security for the Debtors' obligations under the Credit Agreement, by written guarantee (unlimited) executed by the Debtors on December 24, 2020, the Debtors guaranteed payment to TD of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Debtors to TD.

26. In support of, and as further security for the Debtors' obligations under the Credit Agreement, by written guarantee (unlimited) executed by Mr. Henriques on December 24, 2020, Mr. Henriques guaranteed payment to TD of all the debts and

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liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Debtors to TD.

27. The guarantees referred to above are, collectively, the “**Guarantees**”.

28. With respect to interest, section 7 of the Guarantees provides that the Guarantor shall pay interest on any unpaid amount to TD at the highest rate of interest per annum that is charged on any Obligations (as defined in the Guarantee) for which payment has been demanded and which remains unpaid.

29. The Guarantees provide that:

- (a) the Guarantors guarantee payment of any and all present and future debts and liabilities owing to TD by the Debtors;
- (b) the Guarantees are continuing and all accounts guarantees and cover all liabilities and shall apply to secure any ultimate balance due, or remaining unpaid by the Debtors to TD;
- (c) the Guarantors’ liability to make payment to TD arises immediately upon receiving a written demand for payment from TD;
- (d) once demand has been made, the Guarantors are liable to TD for interest on the amount demanded, from and including the date of demand until payment;

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- (e) the Guarantors are liable to TD for all legal fees and costs that TD incurs on a complete indemnity scale from and including the date of demand; and
- (f) TD is not bound to exhaust recourse against the Debtors, or other persons or security, before being entitled to payment from the Guarantors.

30. TD pleads and relies upon all of the terms of the Guarantees.

Default and Demand

31. In February, 2023, the accounts of the Debtors were transferred to TD's Financial Restructuring Group ("**FRG**").

32. On April 13, 2023, TD issued a non-tolerance and reservation of rights letter (the "**Non-Tolerance and Reservation of Rights Letter**") to the Debtors advising of various breaches under the Credit Agreement, including Payment Defaults (as defined therein), Realty Tax Default (as defined therein) and the Encumbrance Default (as defined therein). TD required the Debtors to remedy these defaults forthwith.

33. On April 20, 2023, TD's lawyers herein, Minden Gross LLP, issued demands and related s. 244 notice of intention to enforce security under the BIA (the "**Section 244 Notice**") on behalf of TD to the Debtors as both primary borrowers and guarantors. Payment demands were also issued to Mr. Henriques.

34. The payment demands and the Section 244 Notice expired on May 1, 2023.

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35. The Debtors requested time in order to repay the indebtedness. TD agreed to forbear provided the Debtors execute a forbearance agreement on terms acceptable to TD. Despite advising on May 8, 2023 that the Debtors agreed to the proposed forbearance terms (as provided to them on May 2, 2023), the Debtors have failed and/or refused to sign the forbearance agreement and have failed and/or refused to further communicate with TD and TD's lawyers.

36. TD pleads that the defaults identified in the Non-Tolerance and Reservation of Rights Letter have not been remedied.

37. To date, the Debtors are in breach of their contractual obligations to TD under the Credit Agreement, GSA, Mortgage Security and Guarantees.

Basis of Appointing Receiver

38. Section 12, "Remedies" under TD's GSA provides for the appointment of a receiver upon default.

39. Section 8, "Appointment of Receiver" under TD's Mortgage Security provides for the appointment of a receiver upon default.

40. TD has provided the Debtors with more than sufficient time to repay the indebtedness. The Debtors have been unable to fulfil their obligations to TD.

41. TD has lost confidence in the Debtors.

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42. Defaults under the Credit Agreement, GSA and Mortgage Security continue.

43. TD is entitled to take any and all steps necessary to enforce its security and realize on same.

44. TD considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

45. Albert Gelman Inc. has consented to act as receiver over the Debtors.

46. At the time of pleading, the indebtedness remains outstanding by the defendants as follows:

Images Life Media Inc.

Demand Facility	\$352,358.89
Term Facility	\$208,999.03
HASCAP Facility	\$251,984.95
Visa Facility	<u>\$ 60,118.97</u>
TOTAL:	\$873,461.84

2531509 Ontario Inc.

Mortgage Loan	\$2,954,078.20
Overdraft account balance	<u>\$ 25,148.19</u>
TOTAL:	\$2,979,226.39

TOTAL owing by Images and 253: \$3,852,688.23

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Legal Fees Billed (w/HST):	\$16,283.10
Legal Fees Unbilled (w/HST):	\$ 5,849.45

47. TD pleads that the defendants are liable to it for the relief sought herein.

June 28, 2023

MINDEN GROSS LLP
Barristers and Solicitors
2200 – 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO# 42081V)
rmoses@mindengross.com
Tel: 416-369-4115
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Lawyers for the Plaintiff

#57808334132528 v1

THE TORONTO-DOMINION BANK
Plaintiff

-and-

IMAGES LIFE MEDIA INC., et al.
Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

STATEMENT OF CLAIM

MINDEN GROSS LLP
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Toronto, ON M5H 4G2

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Lawyers for the Plaintiff,
The Toronto-Dominion Bank

(File No. 4132528)

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	TUESDAY, THE 18TH
)	
JUSTICE)	DAY OF JULY, 2023

THE TORONTO-DOMINION BANK

Plaintiff

- and -

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES

Defendants

ORDER
(appointing Receiver)

THIS MOTION made by the Plaintiff for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Images Life Media Inc. and 2531509 Ontario Inc. (the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Abner Pennings sworn June 28, 2023 and the Exhibits thereto and on hearing the submissions of counsel for the Plaintiff, no one appearing for the Debtors although duly served as appears from the affidavit of service

of [NAME] sworn [DATE] and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the

Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with

statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post**

Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a

charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.¹

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby

¹ Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".

charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.albertgelman.com/corporate-solutions/other-engagements/>.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

Albert Gelman Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____
Name:
Title:

B E T W E E N

THE TORONTO-DOMINION BANK
Plaintiff

-and- IMAGES LIFE MEDIA INC., et al.

Defendants

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

MOTION RECORD

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