The Chargor shall provide to the Chargee, or as it may directs, a series of twelve (12) post-dated cheques in accordance with the repayment schedule attached hereto and forming part of the within Charge. In the event that there is more than one Chargee, the Chargor agrees to provide separate payments to each Chargee, if so requested.

In the alternative, and at the option of the Chargee, the Chargor shall provide the Chargee's solicitor with a Pre-Authorized Debit form (PAD) for purposes of obtaining the monthly mortgage payments.

In the event that any of the Chargor's post-dated cheques or pre-authorized debit, as the case may be are not honoured when presented for payment to the bank or trust company on which they are drawn, or should the Chargor fail to provide a monthly payment when due, the Chargor shall pay to the Chargee for each such returned payment(s), FIVE HUNDRED ($500.00) DOLLARS to cover the Chargee's administration costs and not as penalty and such sum shall be a charge upon the lands and shall bear interest at the rate hereinbefore stated.

In the event that any interest payment is not received by the Chargee on or before the due date, then there shall be a late payment administration fee of FIVE HUNDRED ($500.00) DOLLARS for each occurrence.

In the event that the Chargee is or becomes a financial institution as Trustee for the RRSP of an individual, the Chargor agrees to make the monthly payments under the mortgage to the planholder or as the planholder directs.

3. PAYMENTS AFTER 1:00 P.M.

Any payment (other than payment of the regular payments of interest) that is made after 1:00 p.m. on any date, shall be deemed for the purpose of calculation of interest, to have been made and receive on the next bank business day. For greater certainty, if funds are received (or deemed received) on a Friday after 1:00 pm, interest will be payable to the following Monday, or Tuesday in the event of a holiday.

4. PREPAYMENT

Provided that the Chargor is not in default, the Chargor shall have the right during the term of this Charge to prepay the outstanding principal amount hereby secured at any time, upon payment of three (3) months interest as a bonus during the first six (6) months of the term; and upon payment of one (1) month interest as a bonus and 30 days prior written notice during the following six (6) months of the term.

If prepayment of any part of the principal sum secured hereunder is made by reason of payment after acceleration upon the occurrence of a default during the Term, the Chargor agrees to pay to the Chargee a bonus equal to three (3) months interest during the first six (6) months of the Term, and thereafter a bonus of one (1) month interest.

If the Charge is renewed for any period or periods after the term of the Charge, then prepayment of the whole of the principal amount hereby secured at any time or times will be in accordance with the terms of the mortgage renewal letter.

5. REALTY TAXES

The Chargor agrees that in the event the Chargee does not elect to collect the realty taxes imposed for the Property that the Chargor shall pay all instalments as they become due and shall provide proof of payment by way of a receipt to the Chargee and his agent on or before the due date for each such payment.

In the event the Chargee elects to collect the realty taxes levied for the Property together with the monthly interest payment hereunder, and subsequently the monthly realty tax payments collected from the Chargor are insufficient to pay any realty tax bill when due, the Chargor covenants to pay all arrears, insufficiencies and instalments to the Chargee within 14 days of written notice from the Chargee or his agents to make such payment.

In the event that the Chargor fails to provide proof of payment as set out above, the Chargor agrees that the Chargee or the Chargee's agent may obtain verbal information from the municipality, or for those municipalities which do not provide verbal information pertaining to realty tax accounts, by obtaining a tax certificate, and the Chargor agrees that the cost of obtaining such information shall be a minimum of TWO HUNDRED AND FIFTY ($250.00) DOLLARS plus disbursements and H.S.T. which cost will be added to the principal amount secured by the Charge.

6. ACKNOWLEDGEMENT ON ASSIGNMENT

In the event that the Chargee assigns transfers or otherwise conveys it's interest hereunder, and upon the delivery of notice of same to the Chargor, the Chargor, if so requested, shall without cost, at any time and from time to time, execute an acknowledgment with respect to the terms and conditions of the Charge and the amount outstanding thereunder. Failure to execute the acknowledgment shall be deemed to be default by the Chargor under the Charge.

7. SALE BY CHARGOR

On the sale or transfer of all or any part of the property secured by this Charge or any mortgage or any interest therein, the Chargee may, at the Chargee's sole option declare all of the sums secured by this Charge to be immediately due and payable and invoke any remedies permitted by this Charge or law.

No sale or other dealings by the Chargor with the equity of redemption in the property secured by this Charge or any part thereof shall in any way change the liability of the Chargor for the observance, fulfilment and maintenance of all covenants, terms and provisions herein or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the moneys hereby secured.

No dealing between the Chargee and the Chargor or the owner of the equity of redemption, including extending or renewing this Charge, shall in any way affect, change or prejudice the liability of the Chargor for the observance, fulfilment and maintaining of all covenants, terms, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the moneys hereby secured, and the Chargor expressly waives all notice of such dealings between the Chargee with the owner of the right equity of redemption, including extending or renewing this Charge.

8. SALE ON TERMS

In the event power of sale proceedings are taken, the Chargee as vendor may sell the property on terms and if the result is that any mortgages taken back are at a rate lower than the rate for first and/or second mortgages in the industry then the Chargee shall be entitled to sell these charges at a discount and the discount shall form part of the loss incurred by the Chargee and be recoverable against the Chargor.

9. PAYMENT OF OTHER CHARGES AND PERFORMANCE OF OTHER OBLIGATIONS BY THE CHARGEE

The Chargor covenants and agrees with the Chargee to pay all property tax, public utilities rates, charges, condominium common expenses, and insurance premiums as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Chargor to comply with this covenant shall constitute an event of default hereunder and entitles the Chargee at its sole and absolute discretion to avail itself of remedies available hereunder and at law including the right to accelerate the principal sum secured hereunder together with all accrued interest thereon plus costs.

In addition, at the Chargee's sole and absolute discretion, the Chargor hereby agrees that the Chargee may satisfy any charge, lien, any matter raised in the previous paragraph or other encumbrances now or hereafter existing or to arise or to be claimed upon the charged Property and the amount so paid together with all costs associated therewith shall be a charge on the Property and shall bear interest at 18% percent per annum, calculated and compounded monthly and shall be payable forthwith by the Chargor to the Chargee, and in default of payment, the entire principal sum, accrued interest and costs, shall become payable at the sole and absolute discretion of the Chargee and the remedies hereby given and available at law may be exercised forthwith without notice. In the event the Chargee satisfies any such charge or claim, it shall be entitled to all equities and securities of the person(s) so satisfied and it may retain any discharge, cessation of charge or assignment of charge unregistered until paid.

10. SERVICING FEE

In the event that the Chargee is called upon to pay any payment in order to protect its security position including but not limited to realty taxes, insurance premiums, condominium common expenses, principal interest or costs under a prior mortgage, there shall be a service charge of not less than $300.00 for making each such payment or payments. Any service fee owing by the Chargor to the Chargee which is not paid shall be added to the mortgage indebtedness and shall bear interest at the rate herein set forth.

11. COSTS AND EXPENSES

It is agreed that all costs and expenses of the Chargee incurred in endeavouring to collect any money overdue under this Charge, including all legal costs on a solicitor and client basis, whether legal proceedings are instituted or not, shall be added to the principal and be payable forthwith by the Chargor.

12. MORTGAGE STATEMENT

The Chargor shall pay to the Chargee or its agent an administrative fee of $100.00 plus HST in advance for processing and providing each and every mortgage statement requested by or on behalf of the Chargor. Any request for a mortgage statement shall be made in writing allowing the Chargee seven (7) business days to respond.

13. DISCHARGE

Upon the balance due date of the principal and interest secured hereunder or any renewal thereof, the Chargor shall be deemed to have requested the Chargee or the Chargee's solicitor to prepare the discharge documents including where applicable the electronic registration of the discharge for this Charge and shall pay the following fees:

1. Statement fee $100.00;
2. Chargee's administration fees for execution of discharge $300.00 for one property and $100.00 for each additional property;
3. Chargee's solicitor fees plus disbursements and HST for preparation and registration of the discharge.

In addition in the event that the Chargor requires the Chargee to attend at the Land Registry Office on the closing of a refinancing or sale transaction, the Chargor shall pay all disbursements incurred by the Chargee's solicitor or Chargee's agent including courier and conveyancer fees, such amount to be not less than $250.00 plus disbursements and H.S.T. In addition if mortgage discharge funds are to be delivered, other than to the office of the Chargee's solicitor or Chargee's agent, payment will be deemed received on the next banking day. The parties herein agree that payment to discharge the said Charge must be by certified cheque.

14. POSSESSION

Notwithstanding anything herein to the contrary, if default shall happen to be made of or in the payment of the principal amount or the interest payable thereon or any part of either thereof, as provided in this Charge, or of or in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations contained therein contrary to the true intent and meaning of this Charge, then and in every case it shall and may be lawful to and for the said Chargee to peaceably and quietly enter into, have, hold, use, occupy, possess, and enjoy the land hereby charged free and clear and freely and clearly acquitted, exonerated and discharged of and from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizances, and of and from all manner of other charges or encumbrances whatsoever without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whatsoever.

15. ALTERATIONS

The Chargor will not make or permit to be made any structural alterations or additions to the land or change or permit to be changed the use of the premises without the written consent of the Chargee and he will promptly observe, perform, execute and comply with all legislation, laws, rules, requirements, orders, directions, ordinances and regulations of every governmental authority or agency concerning the land and will at his own cost and expense make any and all improvements thereon or alterations thereto, structural or otherwise, ordinary or extraordinary, which may be required at any time by such present or future law, rules, requirement, order, direction, ordinance or regulations.

16. CHARGEE NOT IN POSSESSION

It is agreed between the Chargor and the Chargee that the Chargee in exercising any of the rights given to the Chargee under the Charge shall be deemed not to be a Chargee in possession.

17. APPOINTMENT OF RECEIVER

Notwithstanding anything herein contain it is declared and agreed that at any time and from time to time when there shall be default under the provisions of this Charge the Chargee may at such time and from time to time and without entry into possession of the Property or any part thereof by writing under its hand appoint a receiver (which term shall include a receiver and manager) of the Property or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any receiver and appoint another in his, her or its stead and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor.

Upon the appointment of any such receiver of receivers from time to time the following provisions shall apply:

(a) That the statutory declaration by any officer of the Chargee as to default under the provisions of this Charge shall be conclusive evidence thereof;

(b) That every such receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect of the Property or any part thereof whether in respect of any tenancies created in priority to these presents or subsequent thereto;

(c) That every such receiver may, in the discretion of the Chargee and by writing under its corporate seal, be vested with all or any of the powers and discretions of the Chargee;

(d) That the Chargee may from time to time by such writing fix the remuneration of every such receiver who shall be entitled to deduct the same out of the Property or the proceeds thereof;

(e) That every such receiver shall, so far as concerns responsibility for his, her or its acts or omissions, be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;

(f) That the appointment of every such receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession respect of the Property or any part thereof;

(g) That every such receiver shall from time to time have the power to rent any portion of the Property which may become vacant for such term and subject to such provisions as such receiver may deem advisable or expedient and in so doing every such receiver shall act as the attorney of agent of the Chargor and every such receiver shall have authority to execute under seal any lease of any such portion of the Property in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such receiver may do in the Property;

(h) That every such receiver shall have full power to complete any unfinished construction upon the Property with the intent that the Property and the buildings thereof when so completed shall be a completed structure as represented by the Chargor to the Chargee for the purpose of obtaining the secured by the Charge;

(i) That any such receiver shall have full power to carry on or, concur in the carrying on of the business of the Chargor, and to employ and discharge such agents, workmen, accountants and other individuals or companies as are required to carry on the said business, upon such terms and with such salaries, wages or remuneration as such receiver shall think proper, and to repair and keep in repair the Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Property;

(j) That any such receiver shall have the power to sell or lease or concur in selling or leasing any or all of the Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either as public auction or private sale as to him may seem best and such sale may be made from time to time as to the whole or any part or parts of the Property; and any such receiver may make any stipulations as to title or conveyance or commencement of title or otherwise which such receiver shall deem proper;

(k) That any such receiver shall have the power to borrow money to carry on the business of the Chargor or to maintain the whole or any part of the Property, in such amounts as the receiver may from time to time deem necessary and in so doing the receiver may issue certificates that may be payable when the receiver thinks expedient and shall bear interests as stated therein and the amounts from time to time payable under such certificates shall charge the Property in priority to this charge;

(l) That any such receiver shall have the power to execute and prosecute all suits, proceedings and actions which the receiver in his, her or its option considers necessary for the proper protection of the Property, to defend all suits, proceedings and actions against the Chargor and the receiver, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending on thereafter instituted and to appeal any suit, proceeding or action;

(m) That any such receiver shall have the full power to manage, operate, amend, repair, alter, or extend the Property, or any part thereof, in the name of the Chargor for the purpose of securing the payment of rental from the Property or any part thereof; and

(n) That any such receiver or trustee shall not be liable to the Chargor to account for monies or damages other than cash received by him or it in respect to the Property or any part thereof and out of such cash so received every such receiver shall pay in the following order:

(1) his remuneration;

(2) all payments made or incurred by him in connection with management, operation, amendment, repair, alteration or extension of the Property or any part thereof;

(3) in payment of interest, principal and other money which may from time to time be or become charged upon the charged Property in priority to monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect to the Property or any part thereof;

(4) in payment of all interest and arrears of interest and any other monies remaining unpaid hereunder;

(5) the residue of any money so received by him shall be applied on the principal sum or any other amounts from time to time owing under this Charge;

(6) it is acknowledged that in the event of default, the Chargee or its agent, shall be entitled to receive a fee for the management of the Property.

The Chargor hereby irrevocably appoints the Chargee, his attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitor so as to give effect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or the receiver or trustee and/or with respect to the charged Property in the same manner as if such documentation was duly executed by the Chargor himself.

18. ADDITIONAL REMEDIES

The rights, powers, and remedies conferred herein are supplementary to and not in substitution for any of the powers which the Chargee may have or be entitled to at law or otherwise. Any one or more remedies may from time to time be exercised independently of or in combination with any of the others, and the remedies include, but are not limited to, the Chargee's right to commence court proceedings to foreclose the Chargor's right, title and equity of redemption to the Property and the Chargee's right to ask the court to order the sale of the Property under the court's supervision.

19. ASSIGNMENT OF LEASES

The Chargor hereby gives, grants, assigns, transfers and sets over unto the Chargee all leases and/or agreements, whether written, verbal or otherwise howsoever made including all renewals or extensions thereof, together with all rents and other moneys payable thereunder and all rights, benefits and advantages to be derived therefrom as may affect the Property or any part thereof; provided that nothing in pursuance hereof shall have or be deemed to have the effect of making the Chargee a chargee in possession or responsible for the collection of rent, or any part thereof, or any income or revenue whatsoever of and from the Property, or for the performance or observance of any covenants, terms or conditions contained in such lease or other agreement; provided further, that no future leases or renewals or amendments of leases may be given by the Chargor without the prior written consent of the Chargee (not to be unreasonably withheld) and notwithstanding anything herein contained, no lease of the Property or any part thereof made by the Chargor without the prior written consent of the Chargee shall have priority over the Charge and also that forthwith after making any lease of the Property or any part thereof the Chargor will (if requested) execute and deliver to the Chargee an assignment in the Chargee's usual form of all rents payable under such lease, the benefits of all covenants, agreements and provisions 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 Chargee all such notices and other documents as may be required in order to render such assignment effectual in law.

Notwithstanding that the Chargee may forthwith collect any and all rent upon completion of the mortgage transaction, the Chargee will allow the Chargor to collect said rent. At any time, the Chargee may withdraw its permission to the Chargor to collect rent by delivering to any tenant a direction to pay all further rent to the Chargee or as the Chargee may direct.

The Chargor covenants and agrees that no rent has been or will be paid by any person in possession of any portion of the Property in advance, and that no portion of any future rent will be allowed to accrue or be waived, released, reduced, discounted or otherwise discharged or compromised by the Chargor.

The Chargor further covenants and agrees that it shall not perform any act or do anything or omit to do anything which will cause the default of any lease unless consented to by the Chargee in writing.

20. SUBSEQUENT ENCUMBRANCES

The Chargor covenants and agrees that it will not encumber the Property or permit the registration of any mortgage or charges ranking subsequent in priority to the within Charge without the prior written consent of the Chargee, which consent will not be unreasonably withheld.

21. FARM DEBT MEDIATION ACT

Provided further that the Chargor represents and warrants that he is not a "Farmer" as defined in the Farm Debt Mediation Act and the Chargor further covenants and agrees that during the currency of the within Charge he will not engage in any activity which would have the effect of deeming him a Farmer within the meaning of the Farm Debt Mediation Act. In the event that the Chargor fails to comply with the within provision, the within Charge shall, at the Chargee's option, immediately become due and payable in full, together with the prepayment bonus set out herein.

22. NO DEEMED REINVESTMENT

Notwithstanding the reference herein to the interest rate on a per annum basis and notwithstanding any other provision herein contained, the parties hereto acknowledge that it is their intention that the interest rate shall at all times be payable and calculated monthly at a rate per month equal to 1/12th of the yearly rate as hereinbefore referred to and the Chargee shall not be deemed to have reinvested any monthly or other payments received by it hereunder.

23. NON-PAYMENT OF PRINCIPAL

If the principal sum, accrued interest thereon and any of the sums which may be due hereunder is not repaid on or before the Balance Due Date, as may be renewed or extended from time to time, then the Chargor agrees that it shall not require the Chargee to accept payment of the principal monies owing under this Charge without paying a bonus equal to three (3) months interest at the rate of interest chargeable hereunder on the principal amount outstanding on the Balance Due Date.

24. INDEMNIFICATION OF CHARGEE

In the event the Chargee shall, without fault on its part, be made a party to any litigation commenced by or against the Chargor, the Chargor shall protect and hold the Chargee harmless therefrom and shall pay all costs, expenses and solicitors and counsels fees on a solicitor and his own client basis. Such costs shall be a charge on the Property and may be added to the loan secured hereby.

25. COVENANT TO PAY BROKERAGE FEES

The Chargor acknowledges that the loan hereby secured was arranged by one or more mortgage brokers. Part of the consideration received by the Chargee in agreeing to advance the funds secured hereby is the payment of the Mortgage Brokerage fees stipulated in the Cost of Borrowing Disclosure Form as required under the *Mortgage Brokers, Lenders and Administrators Act*, R.S.O., 2006, as amended or replaced. Upon registration of this Charge, and where the Chargor is unable or unwilling to receive the monies secured hereby, the Chargor shall not be entitled to a discharge of this Charge until the Mortgage Brokerage fees are paid in full.

26. PAYMENT OF AMOUNTS OWING TO GOVERNMENTAL AUTHORITIES

During the term of the Charge and any renewal or extension thereof, the Chargor and/or any guarantor will pay when due all amounts owing to any governmental authority which, if unpaid, would give such governmental authority recourse for such amounts ranking in priority to this Charge or any other security documents and agreements given by the Chargor to the Chargee in connection with the loan hereunder and the failure to pay such amount when due will constitute, at the sole discretion of the Chargee, an event of default hereunder.

27. HEADINGS

The headings herein are not to be considered part of this Charge and are included solely for the convenience of reference and are not intended to be full or accurate descriptions of the contents of the paragraphs to which they relate.

28. SERVICE OF THE NOTICE OF INTENTION TO ENFORCE SECURITY

In the event it is necessary for the Chargee to deliver a Notice of Intention to Enforce Security on the Chargor, said Notice of Intention to Enforce Security shall be served on the Chargor by regular mail to the Chargor's attention at the address provided in the Charge.

29. ELECTRONIC REGISTRATION

The Chargor hereby authorizes and directs the Chargee, by their solicitor, to register this Charge electronically.

30. CROSS DEFAULT

The occurrence of an event of default under the provisions of this Charge, under any security document referred to in the commitment letter dated October 21, 2019, as may be amended from time to time (collectively the "Commitment") issued by the Chargee in respect to this Charge or pursuant to any other charge or security document between any Chargor and the Chargee, including any document pursuant to which the Chargor is a guarantor, shall be deemed to be an event of default under all such charges and charges and security documents and shall entitle the Chargee to pursue its remedies under any or all of the aforesaid security documents.

31. NON-MERGER

Notwithstanding the registration of this Charge and the advance of funds secured hereunder, the terms and provisions of the Commitment shall remain binding and effective upon the parties. It is understood and agreed that any default under the said Commitment shall be deemed a default under this Charge. In the event of an inconsistency between the terms of the Charge and the terms of the Commitment, the Chargee may, in its sole discretion, determine which shall prevail.

32. ENVIRONMENTAL

The Chargor represents and warrants that:

(a) it has not caused or permitted, and to the best of its knowledge, information and belief after making due inquiry, no other person has caused or permitted, any Hazardous Substance to be manufactured, refined, traded, transported or transformed to or from, handled, produced, processed, placed, stored, located or disposed of on, under or at the Property;

(b) it has no knowledge that any owner or occupier of any abutting or neighbouring properties has done any one or more of the matters or things prohibited by subparagraph (a) hereof;

(c) it and its tenants, invitees and other occupiers of the Property have and will at all times carry out, and to the best of their respective knowledge, information and belief after making due inquiry, all prior owners and occupiers of the Property have at all times carried out, all business and other activities upon the Property in compliance with all applicable laws intended to protect the environment including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Substance;

(d) no order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to an Hazardous Substance or the environment has been issued or is otherwise threatened or pending with respect to the Property;

(e) all of the representations and warranties set out herein shall remain true and accurate in all respects until all amounts secured hereunder are paid in full; and

(f) the Chargee may delay or refuse to make any advance to the Chargor if the Chargee believes that any of the representations and warranties set out herein were not true and accurate when made or at any time thereafter.

The Chargor shall permit the Chargee to conduct, at the Chargor's expense, any and all tests, inspections, appraisals and environmental audits of the Property so as to determine and ensure compliance with the provisions of the Charge including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Property or the businesses and other activities conducted thereon at any time and from time to time.

The Chargor agrees to indemnify and save harmless the Chargee and its officers, directors, employees, agents and shareholders from and against any and all losses, damages, costs and expenses of any and every nature and kind whatsoever which at any time or from time to time may be paid or incurred by or asserted against any of them as a direct or indirect result of:

(a) a breach of any of the representations, warranties or covenants hereinbefore set out;

(b) the presence of any Hazardous Substance in, on or under the Property; or

(c) the discharge, emission, spill or disposal of any Hazardous Substance from the Property into or upon any property, the atmosphere, any watercourse, body of water or wetland;

and such losses, damages, costs and expenses include, without limitation:

(d) the costs of defending, counterclaiming or claiming over against one or more third parties in respect of any action or matter; and

(e) any settlement of any action or proceeding entered into by the Chargee with the consent of the Chargor (which consent shall not be unreasonably withheld);

and the provisions of all representations, warranties, covenants and indemnifications set out herein shall survive the release and discharge of this Charge and any other security held by the Chargee and repayment and satisfaction of the loan secured by this Charge. The provisions of this indemnity shall enure to the benefit of the Chargee and its successors and assigns including, without limitation, any assignees of this Charge.

For the purposes of this Charge, "Hazardous Substance" means any hazardous waste or substance, pollutant, contaminant, waste or other substance, whether solid, liquid or gaseous in form, which when released into the natural environment may immediately or in the future directly or indirectly cause material harm or degradation to the natural environment or to the health or welfare of any living thing and includes, without limiting the generality of the foregoing:

(a) any such substance as defined or designated under any applicable laws and regulations for the protection of the environment or any living thing;

(b) asbestos, urea formaldehyde, poly-chlorinated biphenyl (PCB) and materials manufactured with or containing the same; and

(c) radioactive and toxic substances.

33. BREACH OF COVENANT

A breach of any covenant contained in this Charge shall constitute a default hereunder and at the option of the Chargee, it may avail itself of the remedies contained in this Charge or available at law.

34. CONFLICT/AMBIGUITY

Where conflict or ambiguity exists or arises between any one or more of the provisions contained in this Schedule and any one or more of the provisions contained in the standard charge terms, the provisions contained in this Schedule shall, to the extent of such conflict or ambiguity, be deemed to govern and prevail.

35. BANKRUPTCY AND INSOLVENCY

The Chargor waives and releases any right that it may have to receive from the Chargee notice of intention to enforce security pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "Act"). This waiver and release shall not be deemed or interpreted to be a prior consent to earlier enforcement of a security within the meaning of the Act.

The Chargor acknowledges and agrees that:

(a) the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor;

(b) notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Property as agent on behalf of the Chargor or otherwise and notwithstanding the Chargee taking possession of the Property itself pursuant to any rights that the Chargee may have with respect thereto, such possession shall not constitute the Chargee or any such person a receiver within the meaning of the Act, and that any and all requirements of Part XI of the Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or enforcement of this Charge or any other security held by the Chargee;

(c) no action shall lie against the Chargee as receiver and manager or otherwise for any loss or damage arising from non-compliance with any obligations of a receiver pursuant to the provisions of the Act, whether or not the Chargee had reasonable grounds to believe that the Chargor was not insolvent; and

(d) any and all costs or expenses as may be incurred from time to time by the Chargee in order to effect compliance with or avoid any adverse ramifications of the Act shall be entirely for the account of the Chargor. The Chargee shall be entitled to incur any such costs or expenses, including any costs of its personnel in administering any requirements of the Act and to add the same to the indebtedness owing and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

36. INDEPENDENT LEGAL REPRESENTATION

The Chargor, and Guarantor if applicable (collectively the "Party"), hereto acknowledge that it has full knowledge of the purpose and essence of this Charge/Mortgage transaction, and that it has been appropriately and independently legally represented in that regard. The Party agrees to provide to the Chargee a Certificate of Independent Legal Representation as and when the same may be required, regarding their knowledge and understanding of this transaction.

37. SECURITY INTEREST IN CHATTELS

It is hereby mutually covenanted and agreed by and between the parties hereto that all chattels, erections and improvements, fixed or otherwise, now or hereafter put upon the Property and owned by the Chargor, including, but without limiting the generality of the foregoing, all drapes, lobby furniture, refrigerators and stoves, heating equipment, air-conditioning and ventilation equipment, blinds, storm windows and doors, window screens, etc. and all apparatus and equipment appurtenant thereto are and shall in addition to other fixtures thereon, be and become fixtures and an accession to the freehold and a part of the realty as between the parties hereto, their heirs, executors, administrators, successors, legal representatives and assigns, and all persons claiming thereunder and shall be a portion of the security for the indebtedness hereinbefore mentioned.

The Chargor covenants and agrees to execute and deliver to the Chargee, on demand, a security interest in all chattels, furnishings, equipment, appliances and all other personal Property owned now or in the future by the Chargor and situate in or about the herein described Property. The form and content of such security interest shall be acceptable to the Chargee. The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of the security interest and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charged hereunder, shall be added to the principal sum secured by the Charge if not paid by the Chargor.

38. INSURANCE

In addition to any other insurance provisions contemplated by the Commitment, this Charge or the Standard Charge Terms registered as No. 200033, the Chargor will at all times during the term maintain the insurance required by the Chargee including, without limitation, the following coverages:

a. All risks of direct physical loss or damage, including, without limitations, coverage for the foundations of all improvements and flood and earthquake coverage, all on a replacement cost basis with loss payable to the Chargee under an Insurance Bureau of Canada Charge clause; the policy should allow for the improvements on the Property to be completed (if applicable), for partial occupancy, and for the Property to be vacant and unoccupied for a period of at least 30 days;

b. Comprehensive broad form boiler and machinery insurance covering all pressure vessels (whether fired or unfired), air conditioning and miscellaneous electrical apparatus on the Property, for an amount satisfactory to the Chargee, with loss payable to the Chargee under a Boiler and Machinery Insurance Association Charge clauses;

c. Business interruption or rental income loss coverage on a gross profits or rentals form sufficient to cover 100% of the loss of rent or loss of business income from the business conducted on the Property for a period of twelve (12) months, based on the greater of actual or projected revenue, in respect of all perils described in (a) and (b) above;

d. Comprehensive general liability insurance, inclusive of bodily injury, death, Property damage for loss, fur a minimum amount of $3,000,000.00 per occurrence or such other amount as the Chargee may reasonably request;

e. Theft of chattels;

f. Prior to any advance of the Principal Amount, the Chargor will provide to the Chargee or its solicitors, original or certified copies of insurance policies providing the above coverages. The Chargee may have the insurance policies reviewed by a qualified Property insurance consultant at the expense of the Chargor to ensure that the insurance requirements of the Commitment Letter are satisfied;

g. During such time or times as there is construction of any building or other improvements on the Property, the Chargor will maintain builder's all-risk builder's insurance with stated amount clause for the improvements for full insurable value; and

h. Evidence of policy renewal or satisfactory replacement must be provided annually at least thirty (30) days before expiry.

In addition to any other insurance provisions contemplated by this Charge or the Standard Charge Terms registered as No. 200033:

Each policy shall be in a form and with an insurer satisfactory to the Chargee and will provided that any loss shall be payable to the Chargee as their interest may appear, subject to the standard form of Charge clauses approved by the Insurance Bureau of Canada. The above referenced policies shall provide that the Chargee shall receive thirty (30) days' prior written notice of cancellation or material change to the policies. The Chargor will furnish to the Chargee or its solicitors, prior to the advance of any funds, original or certified copies of insurance policies providing the above coverage. Evidence of policy renewal or satisfactory replacement must be provided annually at least (30) days before expiry of the policy.

If the Chargor fails to comply with the insurance obligations herein, the Chargee may take out insurance which it deems adequate and the Chargor shall pay to the Chargee, on demand, all sums paid for that purpose plus the servicing fee and bearing interest as set out in paragraph 10 hereof.

In the event of a loss, the Chargor shall immediately advise the Chargee and shall not undertake any repairs or renovations without the consent of the Chargee. The Chargor acknowledges and agrees that any insurance monies received may, at the option of the Chargee, be applied in rebuilding, reinstating, or repairing any building, or be paid to the Chargor, or be applied in the sole discretion of the Chargee, in full or in part against the amounts due hereunder or any part thereof, whether due or not then due, or paid partly in one way and partly in another.

In the event that the Chargor defaults with respect to any of the terms of any undertakings delivered to the Chargee in consideration of the advance of funds under this Charge, or thereafter or with respect to any covenant contained in these additional provisions, such default will be an event of default under this Charge and entitle the Chargee to all of its remedies hereunder, including the acceleration of the principal without further notice to the Chargor.

The Chargee shall be entitled to its standard servicing fee for dealing with each cancellation, premium payment or other non-compliance with insurance requirements. In the event that the evidence of continuation of insurance as herein required has not been delivered to the Chargee, the Chargee shall be entitled to its standard servicing fee for each written inquiry which the Chargee shall make to the insurer pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the said Property, the Chargee in addition to the aforenoted servicing fee shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

39. GENERAL SECURITY AGREEMENT

PROVIDED that it is understood and agreed by the Chargor and the Chargee that a General Security Agreement and Assignment of Rents (the "Security Documents") are given as additional security to this charge and both the Charge and the Security Documents are securing the same principal amount, bearing the same terms of repayment and the same rate of interest as the herein Charge. The Charge and the Security Documents shall constitute one security for the benefit of the Chargee and payment on account of one shall constitute payment pro tanto on account of the other and that default under either the Charge or Security Documents shall constitute default under both and upon repayment of the herein Charge, the Chargee shall forthwith deliver to the Chargor the executed discharge of the Charge in registerable form at the Chargor's expense and a re-assignment of the Security Documents.

IT IS AGREED that the Chargee's rights hereunder shall in no way merge or be affected by any proceedings which the Chargee may take under the Security Documents and that the Chargee shall not be required to take proceedings under the Security Documents before proceeding under this Charge and, conversely, no proceedings under this Charge shall in any way affect the rights of the Chargee under the Security Documents, and the Chargee shall not be required to take proceedings under such Charge before proceeding under the Security Documents.

The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of any security interests pursuant to the Personal Property Security Act, Ontario and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charges hereunder, shall be added to the principal sum secured by the within charge if not paid by the Chargor.

40. AGREEMENTS IN WRITING

No agreement for modification to the within Charge or to any other security agreement provided to the Chargee, including any renewals hereof for extension of the time for payment of the indebtedness due hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the Balance Due Date or of any subsequent term agreed to in writing between the Chargor and the Chargee, and that no modification, amendment, renewal hereof of extension of the time for payment of any indebtedness due hereunder shall result from, or be implied from, any other act, matter or thing, save only an express agreement in writing between the Chargor and the Chargee.

41. SEVERABILITY OF ANY INVALID PROVISIONS

If in the event that any covenant, term or provision contained in this Charge is held to be invalid, illegal or unenforceable in whole or in part, then the validity, legality and enforceability of the remaining covenants, provisions and terms shall not be affected or impaired thereby, and all such remaining covenants, provisions and terms shall continue in full force and effect. All covenants, provisions and terms hereof are declared to be separate and distinct covenants, provisions or terms as the case may be.

42. FINANCIAL STATEMENTS

The Chargor covenants that it shall, within one hundred and twenty (120) days of the end of each fiscal year of the operation of the subject lands by the Chargor, furnish to the Chargee an annual operating statement prepared at the expense of the Chargor, which statement, notwithstanding the generality of the foregoing, shall set forth the gross rents and other revenue derived by the Chargor from the subject lands, the costs and expenses of the operation and maintenance of the subject lands, and such information or explanations in respect of the foregoing as may be required by the Chargee, and the correctness of such statement shall be duly supported by the affidavit of an appropriate officer of the Chargor. In addition, the Chargor covenants that it shall, within one hundred and twenty (120) days of the end of each fiscal year of the Chargor, furnish to the Chargee notice to reader financial statements of the Chargor prepared by a recognized firm of Chartered Accountants in accordance with generally accepted accounting principles. All statements to be furnished to the Chargee pursuant to the provisions of this section shall be in a form and content reasonably satisfactory to the Chargee.

43. GUARANTOR'S CLAUSE

The guarantor(s) named in this Charge (the "Guarantor"), if any, hereby covenants and agrees to this transaction.

The undersigned Guarantor, hereby certifies that he/she is at least 18 years old, acknowledges receipt of a true copy of this Charge/Mortgage of Land and of Standard Charge Terms No. 200033 (the "Standard Charge Terms") and agrees to be bound by the provisions hereof.

The Guarantor in consideration of such advance or advances as the Chargee may make under this Charge and in consideration of the sum of ONE ($1.00) DOLLAR now paid by the Chargee, the receipt whereof is hereby acknowledged:

1. Hereby covenants and agrees with the Chargee, as principal debtor and not as surety, to well and truly pay or cause to be paid to the Chargee the principal money, interest, taxes and all other monies which the Chargor, has by the Charge covenanted to pay to the Chargee or which are secured by the Charge or intended so to be secured, the said payments to be made on the days and times and the manner provided for by the Charge;

2. Hereby further covenants and agrees to keep, observe and perform the covenants, terms, provisos, stipulation and conditions of the Charge which are to be kept, observed and performed by the Chargor and at all times to indemnify, protect and save harmless the Chargee from all loss, costs and damage in respect of the advances of the Charge money and every matter and thing contained in the Charge;

3. Further agrees that the Chargee may from time to time without notice to extend or renew the time for payment of all monies secured by the Charge, amend or renew the terms and times of payment and the rate of interest with respect to the said monies, refrain from enforcing payment of the said monies, release any portion or portions of the Lands and waive or vary any of the covenants and conditions in the Charge to be kept, observed and performed by the Chargor and grant any indulgence to the Chargor in respect of any default by the Chargor which may arise under the Charge, and notwithstanding any such act by the Chargee, the Guarantor shall be bound by the provisions of the Charge and remain fully liable until all of the monies secured under the said Charge shall have been fully paid and satisfied;

4. Further acknowledges that the Chargee may at any time grant or refuse any additional credit to the Chargor, accept or release or renounce any collateral or other security, administer or otherwise deal with the Land described in this Charge, take an assignment of the rentals with respect to the said Land and apply any and all monies at any time received from the Chargor or from any other person or from the proceeds of any securities given in connection with the Charge in any manner the Chargee may deem appropriate. The Chargee may also utilize any and all insurance proceeds in reduction of the principal monies and interest secured, by the Charge or for the refurbishing of the Land or in any other manner that the Chargee may in its absolute discretion deem advisable;

5. Agrees that all of the matters mentioned herein may be performed by the Chargee without notice to the Guarantor, without releasing or in any way modifying, altering, varying or in any way affecting the liability of the Guarantor hereunder;

6. Agrees that all of the covenants and agreements of the Guarantor, contained herein, shall be binding upon him, and his respective heirs, executors, administrators, and assigns and shall accrue to the benefit of the Chargee, its successors and assigns and that his liability as the Guarantor hereunder and the liability of his trustees, administrators and assigns shall be joint and several and wherever the singular and/or masculine gender are used throughout this Guarantee the same shall be construed as including the plural or feminine gender when the context so requires;

7. If there are two or more Guarantors, all obligations hereunder of all such Guarantors shall be joint and several.

8. Except as specifically varied or amended herein, this Guarantee does not and shall not be construed as revoking, amending, limiting, restricting, or otherwise varying any other guarantee given pertaining to the Charge, including any guarantee contained in the Standard Charge Terms;

9. If any provision of this Guarantee or the application thereof to any person in any circumstance shall, to any extent be invalid or unenforceable, such invalid or unenforceable provision shall be severable from the remainder of this Guarantee and shall not affect or impair the validity or enforceability of any other provision of this Guarantee; and

10. In addition to the Guarantor's promises and agreements contained in this Charge, the Guarantor also agrees that the extension of time for payment may be by way of Renewal Agreement.

Any renewal of this Charge binds the Guarantor, whether or not the Renewal Agreement has been signed by the Guarantor.

THIS IS **EXHIBIT “X”** REFERRED TO IN THE
AFFIDAVIT OF **ITZHAK (YITZ) LEVINSON** AFFIRMED REMOTELY BY **ITZHAK (YITZ) LEVINSON** STATED AS BEING LOCATED IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO THIS 1st DAY OF SEPTEMBER 2026, IN ACCORDANCE WITH O. REG 431/20, *ADMINISTERING OATH OR DECLARATION REMOTELY*

A COMMISSIONER FOR TAKING AFFIDAVITS

SIMRAN JOSHI
LSO # 89775A

MACDONALD
SAGER
MANIS LLP

Lawyers & Trademark Agents
150 York Street, Suite 800
Toronto ON M5H 3S5
Tel: 416.364.1553
Fax: 416.364.1453

December 20, 2019

Doron Noah
dnoah@msmlaw.ca
416.361.2624

Manal Farah, Law Clerk
mfarah@msmlaw.ca
416.361.2613

By E-mail Only

Hillmount Capital Inc.
89 Tycos Drive
Suite 208
Toronto, Ontario M6B 1W3

Attention: Yitz Levinson

RE: Hillmount Capital Inc. (the "Lender") loan to 2715573 Ontario Inc. (the "Borrower") guaranteed by Christopher Cimicata ("Christopher"), 2661793 Ontario Inc. ("266"), Natasha Pinto-Cimicata ("Natasha") and Guerino Matthew Cimicata ("Guerino")(collectively the "Guarantor") Secured by a 1st mortgage over 25 James Street, Georgetown, Ontario ("James"), collateral 2nd mortgage from Natasha and Guerino over 413 Samford Place, Oakville, Ontario ("Samford") (collectively the "Property")
Pursuant to Mortgage Loan Commitment dated October 21, 2019, as may be amended from time to time (the "Commitment")
Our File No. 192319

In accordance with instructions obtained from Hillmount Capital Inc., we have obtained a Charge as security for the loan described in the Commitment Letter dated October 21, 2019 and we would like to report as follows:

1. First mortgage from 2715573 Ontario Inc. in favour of Hillmount Capital Inc. securing the Principal sum of $950,000.00, and was registered on November 25, 2019 at the Land Registry Office for the Land Titles Division of Halton (LRO# 20); as Instrument No. HR1667798 over the property legally described under PIN 25034-0225(LT) and municipally known as 25 James Street, Georgetown, Ontario.

Type of Property:	Vacant Land
Interest Rate:	8.75% per annum
Calculation Period:	Monthly, interest-only
Date of Payment:	1st day of each and every month
Term:	12 months
IAD:	December 1, 2019
First Payment Date:	January 1, 2020
Maturity Date:	December 1, 2020
Prepayment Privileges:	Borrower may prepay the mortgage loan in full at any time (a) upon payment of 3 months interest as bonus within the first 6

months of the Term, and (b) upon payment of 1 month interest as a bonus and 30 days prior written notice during the following 6 months of the term.

2. Collateral second mortgage from Natasha Pinto-Cimicata and Guerino Cimicata in favour of Hillmount Capital Inc. securing the Principal sum of $950,000.00, and was registered on November 25, 2019 at the Land Registry Office for the Land Titles Division of Halton (LRO# 20); as Instrument No. HR1667486 over the property legally described under PIN 24842-0063(LT) and municipally known as 413 Samford Place, Oakville, Ontario.

Type of Property:	Residential – Single Family Residence-Owner Occupied
Interest Rate:	8.75% per annum
Calculation Period:	Monthly, interest-only
Date of Payment:	on demand
Maturity Date:	on demand
Prepayment Privileges:	Borrower may prepay the mortgage loan in full at any time (a) upon payment of 3 months interest as bonus within the first 6 months of the Term, and (b) upon payment of 1 month interest as a bonus and 30 days prior written notice during the following 6 months of the term.

3. Guarantee and Postponement of Claims dated November 19, 2019 from Christopher Cimicata, 2661793 Ontario Inc., Natasha Pinto-Cimicata and Guerino Matthew Cimicata. Financing Statement filed in the Ontario Personal Property Registry on November 21, 2019 under File No. 757827261; Expiry Date: November 21, 2022.
Collateral: Accounts, Other

4. Assignment of Security as Posted dated November 19, 2019 from 2715573 Ontario Inc.

5. Assignment of Material Contracts dated November 19, 2019 from 2715573 Ontario Inc.

6. General Security Agreement dated November 19, 2019 from 2715573 Ontario Inc. granting a security interest in the personal property of the debtor located at the James Property; and Financing Statement filed in the Ontario Personal Property Registry on November 21, 2019 under File No. 757827243; Expiry Date: November 21, 2022.
Collateral: Inventory, Equipment, Accounts, Other

7. General Security Agreement dated November 19, 2019 from 2661793 Ontario Inc. granting a security interest in the personal property of the debtor located at the James Property; and Financing Statement filed in the Ontario Personal Property Registry on November 21, 2019 under File No. 757827243; Expiry Date: November 21, 2022.
Collateral: Inventory, Equipment, Accounts, Other

SOLICITOR'S REPORT REGARDING SUMMARY SEARCH OF TITLE

<u>James</u>
Our title search against the James Property determined it is in the name of Haviland Homes Ltd. On closing a transfer to the Borrower was registered as HR1667797.

Samford
Our title search against the Samford Property determined it is in the name of Natasha and Guerino.

Prior to the completion of this transaction, our searches of title to Harry Walker Property indicated the following encumbrances registered on title:

1) Instrument No. HR1542815 is a Charge in favour of Bank of Nova Scotia, we confirm receipt of confirmation the outstanding amount was 1,359,438.50 and interest rate is 3.54%. The mortgage was in good standing as of closing.

We performed a subsearch of the Property and based on the investigation referred to in this report and examination of the documents in connection therewith and pursuant to the Title Insurance Policy, it appears that at the time of the advance of funds pursuant to this transaction, the Chargor had good and marketable title in fee simple to each Property and you obtained a good and valid **FIRST** mortgage on James Property and **SECOND** mortgage on Samford Property for the full amount of monies advanced on the Closing Date, subject to the encumbrances and other matters described herein.

Priority on Personal Property:

Our searches of public records revealed the following registrations under the Personal Property Security Registration Systems ("PPSRS") against 2715573 Ontario Inc. and 2661793 Ontario Inc. yielded the following:

Nil

Prior to closing, we registered, on your behalf, a financing statements 2715573 Ontario Inc. and 2661793 Ontario Inc. (collectively and separately the "Debtor") in order to perfect all security interests created or provided for in the security agreement between you and the Debtor; the particulars of such registration are detailed above. Please note that certain property, rights and interests given to you as security constitute personal property within the meaning of the PPSA, as amended from time to time. The PPSA governs the priority and enforceability as against third parties of a security interest obtained by you in such personal property. Relying on searches of public records made by us and the foregoing, it appears that you hold a registered security interest in the personal property charged by the Security, subject to any security interest as noted above.

Please also be advised that in certain circumstances, the provisions of the PPSA will result in loss of priority and enforceability of your security interests as against third parties and we draw to your particular attention that priority can be lost if a change of a debtor's name is not recorded under the PPSA within 30 days of your becoming aware of such change. **In order to avoid losing priority, you are urged to seek legal advice prior to permitting or immediately upon learning of any change in the status of any debtor or any personal property given as security, with regard to the above-noted matter.**

We also advise that the security interest perfected by registration of the financing statement noted above will lose priority on the expiry date thereof, unless such registration is renewed on or before such date by registration of a financing change

<u>**statement in the prescribed form**</u>. You are urged to calendarize the expiry date of the financing statement and renewal thereof, and ensure that the necessary financing change statement is registered under the PPSA so as to preserve perfection of your security interests. Of course, we would be pleased to assist you in this regard upon receiving your instructions.

Title Insurance:

We confirm that the loan over the subject properties have been insured on your behalf by a title insurance policy issued by First Canadian Title. A copy of the Policy is enclosed for your reference.

Taxes:

We confirm before closing we purchased Tax Certificates for each subject property that shows the following:

<u>James</u> –
Roll # 24-15-010-001-13000-0000
2019 Final Taxes- 2,801.20
The vendor's lawyer undertook to pay the outstanding taxes.

<u>Samford</u>
Roll # 2401-020-140-01600-0000
2019 Final Taxes – 6,724.51
There were arrears in the sum of $17,297.39. We received evidence same was paid in Full.

Insurance:

The Borrower obtained insurance coverage required pursuant to the letter of commitment; which was reviewed by your office. Enclosed are insurance confirmations.

Executions:

Prior to the completion of this transaction, we ascertained from the Registry Office that there are no writs of execution filed against the Chargors registered against the subject properties.

Pre-authorized Debit:

Prior to completion of this transaction, we obtained your form of Pre-authorized Debit form and a void cheque from the Borrower.

Enclosures:

1. Duplicate copy of the registered Charge
2. Registered Transfer
3. Duplicate copy of the registered Charge Samford
4. Acknowledgment and Direction ereg of Charges
5. Guarantee and Postponement of Claims
6. Assignment of Security as Posted
7. Assignment of Material Contracts

8. General Security Agreements
9. Assignment of Insurance
10. Registered Financing Statement
11. Acknowledgment re PPSA Registrations
12. Acknowledgement re Standard Charge Terms
13. Gross Direction
14. Net Direction
15. Warranty
16. Non-Merger Acknowledgement
17. Certificate of ILA
18. Waiver of ILA
19. Solicitor Confirmation
20. IDs
21. Direction re 1st Mortgage
22. Statutory Declarations
23. Borrower Information Form
24. PAD
25. Execution Search
26. 1st Mortgage (Samford) statement
27. Tax Certificates
28. Title Insurance Loan Policy
29. Insurance Confirmation
30. Resolution
31. Officer's Certificate with Schedules
32. Corporate Opinion
33. Statement of Advance;

Yours truly,
Macdonald Sager Manis LLP

Per: Doron Noah
DN/
Encls.

THIS IS **EXHIBIT "Y"** REFERRED TO IN THE
AFFIDAVIT OF **ITZHAK (YITZ) LEVINSON** AFFIRMED REMOTELY BY **ITZHAK (YITZ) LEVINSON** STATED AS BEING LOCATED IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO THIS 1st DAY OF SEPTEMBER 2026, IN ACCORDANCE WITH O. REG 431/20,
ADMINISTERING OATH OR DECLARATION REMOTELY

A COMMISSIONER FOR TAKING AFFIDAVITS

SIMRAN JOSHI
LSO # 89775A

Court File No. CV-26-00001551-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

HILLMOUNT CAPITAL MORTGAGE HOLDINGS INC.

Applicant

– and –

2715573 ONTARIO INC., 2661793 ONTARIO INC., NATASHA PINTO-CIMICATA, and GUERINO MATTHEW CIMICATA

Respondents

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

CONSENT TO ACT

The undersigned, Goldhar & Associates Ltd., a licensed insolvency trustee within the meaning of subsection 2(a) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, hereby consents to act as the court-appointed receiver and manager (the "**Receiver**") over certain assets, properties and undertakings of the Respondents as described in the proposed Receivership Order, if so ordered by this Honourable Court.

DATED at the City of Toronto, Ontario, this 26th day of August 2026.

GOLDHAR & ASSOCIATES LTD.

Per: ______________________________

Name: Clark Lonergan
Title: Senior Managing Director

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

Court File No. CV-26-00001551-0000

HILLMOUNT CAPITAL MORTGAGE HOLDINGS INC.

Applicant

-and-

2715573 ONTARIO INC., 2661793 ONTARIO INC., NATASHA PINTO-CIMICATA, and GUERINO MATTHEW CIMICATA

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Milton

CONSENT TO ACT

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