



This is the 1<sup>st</sup> Affidavit  
of Sonia de Lorenzi in this case  
and was made on June 14, 2022  
15

No. 224806  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

NATIONAL BANK OF CANADA

PETITIONER

AND:

PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.,  
DAMIAN GERARD ELIA GASPARETTO, and  
DIANE ALICIA SECORD

RESPONDENTS

**AFFIDAVIT**

I, Sonia de Lorenzi, of 130 King Street West, Toronto, Ontario SWEAR, THAT:

1. I am a Senior Manager, Special Loans Group, of the Petitioner and as such have personal knowledge of the facts hereinafter deposed to except where stated to be on information and belief, in which case I verily believe them to be true. I am authorized to make this affidavit on behalf of the Petitioner.
2. I swear this affidavit in support of the Petitioner's application for an order appointing FTI Consulting Canada Inc. as receiver and manager of the assets, undertakings and property of the Debtor and all proceeds thereof (the "**Property**").
3. I have read the Petition to be filed herein, have personal knowledge of the facts set out therein, and to the best of my knowledge believe such facts to be true. Capitalized terms not otherwise defined herein shall have the same meanings as those ascribed to them in the Petition.

History

4. On December 12, 2019, the Petitioner and Debtor executed an offer of financing, which was amended by further agreement dated February 4, 2021 (as amended, the “**Credit Agreement**”), pursuant to which the Bank agreed to make the following credit facilities available to the Debtor:

- (a) a demand revolving operating credit facility for \$600,000.00;
- (b) a business transfer term loan for \$1,785,040.26;
- (c) an EFT settlement facility for \$300,000.00; and
- (d) a MasterCard facility for \$100,000.00.

5. Attached hereto as **Exhibit “A”** is a true copy of the Credit Agreement.

6. As security for the Debtor’s obligations to the Petitioner, among other things, Premium Comfort executed: (i) a general security agreement dated January 29, 2020 (the “**GSA**”) in favour of the Bank granting a charge in favour of the Bank on all present and after acquired property of Premium Comfort; and (ii) an assignment of book debts dated January 29, 2020 (the “**Assignment of Book Debts**”) in favour of the Bank.

7. Attached hereto as **Exhibits “B”** and “**C**”, respectively, are copies of the GSA and the Assignment of Book Debts.

8. Attached hereto as **Exhibit “D”** is a true copy of a search of the British Columbia Personal Property Registry for the Respondent Premium Comfort dated March 31, 2022.

9. On January 26, 2020, Damian Gasparetto and Diane Secord, directors of the Debtor, executed a Letter of Guarantee under which they jointly and severally guaranteed all present and future debts and liabilities owed to the Bank by Premium Comfort limited to \$500,000 plus interest thereon.

10. Since at least as early as July 2021, the Debtor has consistently breached its covenants under the Commitment Letter, including by being outside the minimum working capital ratio contemplated thereunder.

11. Beginning in early 2022, the Petitioner and Debtor engaged in negotiations with a view to entering into a forbearance agreement, however, on June 8, 2022, the Debtor's bank account became overdrawn and the Petitioner contacted the Debtor to cover the shortfall. After the Debtor failed to do so, on June 9 the Petitioner advised that it would be returning items and cancelling the EFT settlement facility.

12. On June 10, 2022, without any warning, Mr. Gasparetto advised me that the Debtor had made the decision to cease operations effective immediately. Mr. Gasparetto also advised me that some employees and suppliers of the Debtor were in the process of removing assets from the Debtor's business premises.

13. Mr. Gasparetto's advice prompted the Petitioner to move quickly to secure the Property. On the same day, the Petitioner sent a letter to the Debtor demanding payment in full of the amount owing to the Petitioner enclosing a Notice of Intention to Enforce Security, a copy of which letter is attached hereto as **Exhibit "E"**. Shortly after receiving the letter, the Debtor waived the 10-day notice period by endorsing and sending back to the Petitioner the Notice of Intention to Enforce Security. Attached hereto as **Exhibit "F"** is a copy of the Notice of Intention to Enforce Security endorsed by Mr. Gasparetto on behalf of the Debtor.

14. On the evening of June 10 and early into the morning of June 11, 2022, with the consent and cooperation of the Debtor, the Petitioner sent a bailiff to the Debtor's premises to change the locks and secure the Debtor's assets, including by removing much of it to a secure storage compound. Attached hereto as **Exhibit "G"** is a true copy of the email exchange between the Debtor and the bailiff on June 11, 2022.

15. I am of the view that, given the Debtor's abandonment of the Property, it is imperative that a receiver and manager of the Property be appointed as soon as possible in order to secure and deal with the Property in the interests of all stakeholders.





# Tab A

This is Exhibit "A" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto  
this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario



**NATIONAL  
BANK**

Powering your ideas™

February 4, 2021

**Damian Gasparetto and Diane Secord**  
**Premium Comfort Heating & Air Conditioning Ltd.**  
 10271 Bryson Drive  
 Richmond, BC  
 V6X 3S7

**RE: Offer of Financing**

Dear Damian and Diane,

We are pleased to present this offer to Premium Comfort Heating & Air Conditioning Ltd., (collectively the Borrower) the following financing solution, for which the terms and conditions are more fully described in Schedule A. Please note that the information contained in this document is confidential and cannot be disclosed to anyone without the prior consent of the National Bank of Canada.

Credit Facilities	Status	Section
<b>Demand Revolving Operating Credit</b> in the amount of <b>\$600,000</b>	Increased	1.1
<b>Business Transfer Term Loan</b> in the amount of <b>\$1,785,040.26</b>	Unchanged	1.2
<b>MasterCard Cards</b> in the amount of <b>\$100,000</b>	Increased	1.3
<b>EFT Settlement facility</b> in the amount of <b>\$300,000</b>	New	1.4

Please indicate your acceptance of these Terms by returning the duly signed copy before **5:00 p.m. on February 12, 2021**, to the attention of **Jason Anderson, Director, Energy Services Group**. After that date, the Bank reserves the right to cancel or amend these Terms, without notice.

Yours truly,

**NATIONAL BANK OF CANADA**

By: *Darrell Stelmack*  
656D234D931D446C  
 Darrell Stelmack  
 Managing Director, Energy Services Group

DocuSigned by:  
*Jason Anderson*  
0A9C60C86EE4480  
 Jason Anderson  
 Director, Energy Services Group

**ACCEPTANCE**

We declare that we have read, understood and accept the terms, conditions and obligations hereof.

Signed at Richmond, BC at 8:26am, in the Province of British Columbia, on this 8th day of February, 2021.

DocuSigned by:  
*Damian Gasparetto*  
B985CD080D85456  
 By: Name: Damian Gasparetto, on behalf of Premium Comfort Heating & Air Conditioning Ltd.

Title: President

DocuSigned by:  
*Diane Secord*  
9032595A948F4CA  
 By: Name: Diane Secord on behalf of Premium Comfort Heating & Air Conditioning Ltd.

Title: Secretary & Treasurer

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**PERSONAL GUARANTOR(S)**

We declare that we have read, understood, and accept the terms, conditions and obligations hereof, are satisfied herewith and acknowledge that we are bound by our obligations hereunder, including, but without limitation, Subsection 3.2.

Signed at Richmond, BC at 8:26am, in the Province of British Columbia, on this 8th day of February, 2021.

By: DocuSigned by:  
*Damian Gasparetto*  
Name: Damian Gasparetto

By: DocuSigned by:  
*Diane Secord*  
Name: Diane Secord

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## SCHEDULE A

### SECTION 1. CREDIT FACILITIES

#### 1.1 Demand Revolving Operating Credit

##### 1.1.1 Credit

Demand Revolving operating credit, payable in full on the demand of the Bank, up to an amount not exceeding **\$600,000** in Canadian dollars, to be used (i) to finance Premium Comfort Heating and Air Conditioning Ltd.'s day-to-day operations, (ii) working capital, (iii) repay existing credit facilities.

##### 1.1.2 Drawdown

The credit can be used and re-used by way of floating-rate advances

##### 1.1.3 Interest rate and other fees

**Floating-rate advances:** The Bank's Canadian Prime Rate plus **1.15%** per annum.

**Stand-by fees:** **0.30% per annum** on the unused portion of the revolving operating credit.

**Monthly Administration Fee:** a monthly monitoring fee of **\$200.00**.

##### 1.1.4 Disbursements and repayments

The disbursements to be made and the repayments to be collected on the credit shall be made or collected in multiples of **\$10,000**.

Interest is payable monthly in arrears.

If not extended at the sole discretion of the Bank, all advances under the credit facility shall be due and payable in full at maturity.

#### 1.2 Credit – Business Transfer Term Loan

##### 1.2.1 Credit

Term loan of up to an amount not exceeding **\$1,785,040.26**, in Canadian dollars, to be used to finance the share purchase of Premium Comfort Heating and Air Conditioning Ltd.

##### 1.2.2 Term and amortization

Original Term of 36 months, calculated as of the date of the final disbursement with an original amortization period of 84 months.

##### 1.2.3 Interest rate and other fees

**Fixed-rate advances:**

Term	Fixed rate offered for information purposes as of 2019-12-05 (YYYY MM DD)	Term chosen
36 Months (24 remain)	5.39%	X

**1.2.4 Disbursement**

Single disbursement was made, failing which the Bank may, at its discretion, refuse to make any disbursements hereunder.

**1.2.5 Repayment**

Monthly blended payments of principal and interest with the balance payable in full at maturity, without any further notice or demand.

Blended payments commenced on the 26<sup>th</sup> day of March, 2020, and shall continue on the 26<sup>th</sup> day of each following month. In the event the 26<sup>th</sup> day is not a business day, then the payment shall be made on the first business day following the 26<sup>th</sup>.

**1.2.6 Prepayment**

The terms and conditions regarding prepayments are set out in Section 2.

**1.3 Credit – MasterCard Cards**

Revolving credit, payable on demand, up to an amount not exceeding **\$100,000**, in Canadian dollars, to be used by way of credit cards issued by the Bank in the name of the Borrower and affiliated with the MasterCard International Inc. network.

The issuance and maintenance by the Bank of MasterCard credit cards in the name of the Borrower and affiliated with the MasterCard International Inc. system are subject to the Borrower signing of and compliance with any agreement, document or other writing or instrument required by the Bank providing for, in particular, enrolment conditions, payment terms and conditions, and the liability of the Borrower and the Bank.

**1.4 Electronic Funds Transfer Service**

Electronic Funds Transfer Service for an amount not exceeding **\$300,000.00**, in Canadian dollars, which is to be used for electronic funds transfers made by the Bank on behalf of the Borrower in accordance with the policies of the Corporate Electronic Service Department of the Bank, and for which the conditions governing use are set out in the forms in use at the Bank.

## SECTION 2. SPECIFIC CONDITIONS FOR THE FACILITIES

**2.1 FINANCING CONDITIONS FOR THE REVOLVING OPERATING CREDIT**

**2.1.1** The advances made under the credit facilities described in section 1.1, in principal, interest and fees, shall at no time exceed the aggregate of:

**75% of the Borrower's Canadian net uninsured accounts receivable** acceptable to the Bank, excluding holdbacks receivable, contra or inter-company accounts, accounts of doubtful quality and all accounts aged **91 days** or more; Plus

**50% of the Borrower's inventory** of up to an amount not exceeding \$300,000, less inventory undaid over 30 days;

Less:

Prior claims being receiver general, EI, CPP, WCB, employees wages, vacation pay, rent and GST payable, lienable payables, and any other claims ranking in priority to the Bank

**2.1.2** The value of the property, assets and/or securities described hereinabove shall be established, from time to time, by the Bank in accordance with its internal policies, **excluding, in particular, prior claims.**

For the purposes hereof, the term "Prior Claims" means any claim which, under any legislation, regulation or other instrument, ranks prior to or may rank prior to the Bank's security. Without limiting the foregoing, Prior Claims include, in particular, any amount owing to a federal, provincial, municipal or other government authority or crown corporation, any actual or deemed trust, or trust

created under legislation, any amount withheld or deduction at source, any accrued and unpaid salary, including any vacation pay, and any amounts due to any person with a right, charge or a trust ranking prior to the Bank's security.

## 2.2 Prepayment conditions for term advances

### 2.2.1 Floating-rate term advances

The prepayment of floating-rate term advances is authorized provided that the payment is made from the Borrower's excess generated funds or through a capital stock issue. Otherwise, a penalty of three (3) months' interest on the prepaid principal shall then be payable and withheld by the Bank from the prepayment. Partial payments shall be applied to the final instalments of principal and/or interest or any other amount owed by the Borrower, at the Bank's discretion.

### 2.2.2 Fixed-rate term advances

Fixed-rate advances cannot be repaid prior to their maturity date.

## SECTION 3. SECURITY

Unless otherwise specified, all the present and future, direct and indirect, obligations of the Borrower towards the Bank, are now and/or shall at all times be secured by the following security, in accordance with the documents in use at the Bank, namely:

### 3.1 Security Given by the Borrower

- 3.1.1 An executed Offer Letter prepared by Bank Legal Counsel (**TBO**);
- 3.1.2 A first-ranking General Assignment of Book Debts of the Borrower (**Held**);
- 3.1.3 A first-ranking general security agreement charging all the Borrower personal property, present and after-acquired, tangible and intangible, registered in the provinces of British Columbia, Alberta, and in any future jurisdictions in which the Borrower conducts business: (**Held**);
- 3.1.4 A deposit account control agreement in a form acceptable to the Bank over any account maintained outside of the Bank; (**TBO as required**) and
- 3.1.5 A first-ranking specific security agreement charging the Borrower serialized goods rolling stock fixed assets all its accessories registered in the provinces of British Columbia, Alberta, and in any future jurisdictions in which the Borrower conducts business: (**Held**).

### 3.2 Security Provided by the Guarantor(s)

- 3.2.1 Limited Personal Guarantee joint and several in the amount of \$500,000, from **Damian Gasparetto and Diane Secord**; to secure the facilities described herein (**Held**).

### 3.3 Other Security, Documents or Agreements

- 3.3.1 Postponement and subordination agreements over all loans, advances, preferred shares, or debts from any shareholder or related entity, and relating to the redemption of all the shares of the Borrower and the payment of all claims and sums that are or shall become due by the Borrower to any shareholder. (**Held**).
- 3.3.2 Rider designating the Bank as the beneficiary of the proceeds of the insurance policies covering the property given as security, up to its full replacement value as well as a copy of the insurance policy. (**Held**);
- 3.3.3 Any other security document, agreement or document that the Bank or its legal counsel may deem appropriate, from time to time, at its sole discretion, in order to, in particular, confer or preserve the rank of the security granted in favour of the Bank as set out herein: (**TBO as required**).

## SECTION 4. REPRESENTATIONS AND WARRANTIES

**4.1 Representations and Warranties of the Borrower and Guarantors**

The Borrower and any guarantor, if applicable, respectively represent and warrant to the Bank that:

- 4.1.1 It is a duly constituted and registered entity that complies with the legislation governing it, and it has the powers, permits and licences required to operate its company and to own, manage and administer its property;
- 4.1.2 There has been no adverse material change in its financial situation since the date of its most recent annual financial statements and/or other financial information provided to the Bank. Such statements and information fairly represent the Borrower's financial situation at the date that they were drawn up. The Borrower does not foresee incurring any significant liabilities which have not already been disclosed to the Bank;
- 4.1.3 It is not involved in any dispute or legal proceeding likely to have an adverse material impact on its financial situation or on its capacity to operate its business and shall provide the Bank with a listing and description of such disputes and legal proceedings prior to funding of the credit facilities and within 10 business days of such events occurring in the future;
- 4.1.4 It has good and marketable title to all its property, which is free and clear of all prior claims, security or any other similar charges, liens or encumbrances, except for the encumbrances granted in favour of the Bank;
- 4.1.5 It is not in default under any agreement, including those entered into with the Bank;
- 4.1.6 Any taxes, assessments, income taxes or other levies payable by the Borrower or imposed on its property have been paid, without subrogation in favour of any third party.
- 4.1.7 Neither the Borrower nor any subsidiary of the Borrower is, to the extent applicable to such person: (i) a person described or designated under the provisions of the *Special Economic Measures Act* (Canada) or the *United Nations Act* (Canada) or any associated regulations (each a "Canadian Sanctions Designated Person"), or (ii) engages in any dealings or transactions with any Canadian Sanctions Designated Person;
- 4.1.8 Neither Borrower nor any subsidiary thereof has violated or is in violation of the Anti-Money Laundering and Anti-Terrorism Laws, except to the extent any such violations, in the aggregate, do not and shall not result in a Material Adverse Effect, neither Borrower nor any subsidiary thereof is a Blocked Person and the Borrower shall not directly, or to its knowledge, indirectly, use any proceeds of any advance to finance the activities of a Blocked Person, except as the same is licensed or otherwise approved by the applicable Canadian governmental/judicial body or OFAC, as applicable;
- 4.1.9 Each of the Borrower and each of the guarantors are in compliance with applicable Anti-Corruption Laws, except to the extent any such non-compliance, in the aggregate, does not and shall not result in a Material Adverse Effect; and
- 4.1.10 The Borrower and each of the guarantors have given to the Bank all material information in the possession of or available to them and relevant to the assessment of the credit facilities of the type herein contemplated and, in addition, all information necessary to make any statements contained herein not misleading in the light of the circumstances in which they were given at the time of preparation thereof, and neither the Borrower and each of the guarantors are aware of any fact or event which has not been disclosed in writing to the Bank, the occurrence of which could reasonably be expected to have a Material Adverse Effect.

**4.2 Survival of Representations and Warranties**

The Borrower and any guarantor, if applicable, respectively undertake to ensure that each representation and warranty contained in this section remains true and accurate at all times.

**SECTION 5. CONDITIONS PRECEDENT**



**5.1 Required Documents and Other Conditions**

Before the disbursement and/or renewal of the credit facilities described herein, the Borrower and any guarantor, as applicable, shall provide, execute or accomplish the following to the Bank's satisfaction:

- 5.1.1 My Business Account/CRA confirmation of GST/HST, Payroll, corporate taxes, excise taxes, excise duties and any other relevant accounts at last month end (TBO);
- 5.1.2 WCB Clearance Letters for each company (or jurisdictional equivalent as the case may be) (TBO);
- 5.1.3 A copy of the Borrower's Annual Corporate Return within 90 days of filing at British Columbia Corporate Registry (TBO);
- 5.1.4 2020 corporate tax assessments for the company (TBO);
- 5.1.5 Any signed writing or document that may reasonably be requested by the Bank, including, without limitation, any notes and security documents duly registered at the rank required by the Bank;
- 5.1.6 Payment in full of the fees and expenses required by the Bank including, without limitation, the fees and expenses for preparing the Offer of financing and the security, if applicable;
- 5.1.7 Any other document that may reasonably be requested by the Bank or it's legal counsel.

**SECTION 6. COVENANTS****6.1 Financial Commitments****6.1.1 Financial statements**

The Borrower shall keep adequate accounts and other accounting registers in keeping with generally accepted accounting principles and shall provide the Bank with the following financial statements, to the Bank's satisfaction:

- 6.1.1.1 The Borrower's **reviewed consolidated annual financial statements, within 90 days of the end of its fiscal year, as well as the consolidated unaudited interim financial statements, on a monthly basis, within 30 days of the end of each period.** Should the Borrower fail to provide its financial statements on time, the Bank shall debit, directly from the Borrower's current account, a monthly late fee of \$500 for its annual financial statements as of the 91st day following the end of the Borrower's fiscal year and each month or portion of each month thereafter until delivered and \$500 for its interim financial statements as of their scheduled delivery date or each week or portion of each week thereafter until delivered;
- 6.1.1.2 A Compliance Certificate and supporting covenant calculations in a form acceptable to the Bank shall accompany all Financial Statements provided to the Bank;
- 6.1.1.3 Bi-Annually, an updated personal net worth statement of any personal guarantor, within 90 days of the end of its fiscal year;
- 6.1.1.4 At the Bank's request and no later than the 30th day after the end of each month, the Borrower shall furnish the Bank with the following lists: a list of its accounts receivable, list of its accounts payable, inventory, and list of its equipment, with items classified by currency and age, as of the last day of the previous period;
- 6.1.1.5 A Borrowing Base Certificate in a format acceptable to the bank shall accompany the lists outlined above;
- 6.1.1.6 The Borrower's budget prepared on a quarterly basis for a minimum two year period, within 90 days of the end of it's fiscal year in excel format and including but not limited a projection of the Borrower's Balance Sheet, Income Statement, Cash Flow Statement, Capital Expenditure Budget, borrowing base estimates, and covenant compliance;
- 6.1.1.7 Annually within 90 days of fiscal year end, a list of serialized goods valued in excess of \$50,000;

6.1.1.8 A copy of the Borrower's Annual Corporate Return within 90 days of filing at British Columbia Corporate Registry;

6.1.1.9 Notwithstanding the foregoing, the Bank reserves the right to require from the Borrower interim financial statements on a basis other than the one set out above.

## 6.1.2 Financial requirements

For the following financial ratios, the Borrower undertakes:

6.1.2.1 To maintain a **Fixed Charge Coverage ratio of at least 1.25:1.00**, based on the consolidated financial statements of the Borrower on an annual basis, calculated as follows:

EBITDA – [dividends, withdrawals or other forms of distributions to members or partners including bonus compensation under the share purchase agreement, redemption of shares or units, purchase of non-financed tangible or intangible fixed assets, (+/-) investment contributions or redemptions, (+/-) advances to directors, employees and shareholders, cash taxes, repayment of shareholder loans]

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Interest charges + scheduled principal payments due in the trailing twelve month period

6.1.2.2 To maintain a **Funded Debt to EBITDA coverage ratio of no more than 3.50:1**, based on the consolidated financial statements of the Borrower on an annual basis, calculated as follows:

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Funded Debt

EBITDA

6.1.2.3 To maintain a minimum amount of **Equity of at least 90%** of the Equity position established at funding.

6.1.2.4 To maintain a minimum **Working Capital Ratio of at least 1.25:1** based on the consolidated financial statements of the Borrower on a quarterly basis, calculated as follows:

Current assets – advances to directors, employees, shareholders and affiliated companies or corporations and/or investments in affiliated companies or corporations and/or closely held companies

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Current liabilities

"EBITDA" means, in respect of any financial period, the net income of the Borrower on a consolidated basis for such period, plus (in each case, on a consolidated basis of the Borrower and without duplication):

- (a) Interest Expense, Income Taxes, Depreciation, Amortization, and non-cash losses on asset disposition; less,
- (b) earnings attributable to minority (non guarantor) interests and extraordinary and non-recurring earnings and gains of the Borrower; non-cash gains resulting from marking-to-market the outstanding swaps of the Borrower; all cash payments during such period relating to non-cash charges which were added back in determining EBITDA in any prior period.

**"Funded Debt"** means, with respect to any person, and with respect to the Borrower and Guarantors determined on a consolidated basis:

- (a) money borrowed (including, without limitation, by way of overdraft and purchase money obligations) or indebtedness represented by notes payable and drafts accepted representing extensions of credit;
- (b) bankers' acceptances and similar instruments;
- (c) letters of credit, letters of guarantee, and surety bonds;
- (d) all obligations (whether or not with respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments, whether or not any such instruments are convertible into capital but including without limitation, any indebtedness or liabilities of such person that may be satisfied by the delivery of shares of such person to the holder thereof or to another person on behalf of the holder, or that are not so evidenced but that would be considered by GAAP to be indebtedness for borrowed money;
- (e) all obligations as lessee including those under sale and lease-back transactions and financial leases;
- (f) all obligations of such person in respect of the deferred purchase or acquisition price of property or services including, without limitation, obligations secured by any Purchase Money Security Interests;
- (g) all obligations of such person for or in respect of the purchase price from such person of any of its property, assets or undertaking, the purchase price in respect of which has been prepaid by the purchaser; and,
- (h) for greater certainty, excluding trade payables, deferred income taxes, and any subordinated or postponed advances.

## 6.2 Positive Covenants

The Borrower undertakes to comply with all its commitments towards the Bank under any credit agreement, present and future. Furthermore, the Borrower and any guarantor, if applicable, respectively undertakes to:

- 6.2.1 Operate its business in a diligent and continuous manner while complying with legislation and obtaining and maintaining the required permits and licences;
- 6.2.2 Use the proceeds of the financing granted for the purposes stipulated herein;
- 6.2.3 Provide the Bank with any information or document that the Bank may from time to time reasonably request and give, at all times, to the Bank representatives or agents the right to inspect its establishments and access thereto, and shall further permit the Bank's representatives to examine its books of account and other records and take extracts therefrom or make copies thereof;
- 6.2.4 Permit the Bank to engage external advisors on account of the Borrower that the Bank may from time to time reasonably request and give, at all times, to such external advisors the right to inspect its establishments and access thereto, and shall further permit the Bank's representatives to examine its books of account and other records and take extracts therefrom or make copies thereof;
- 6.2.5 Maintain, at all times, insurance coverage on its property against loss or damage caused by fire and any other risk as is customarily maintained by companies carrying on a similar business;
- 6.2.6 Transact all or most of its banking business with the Bank, and where accounts are not held with the Bank then such accounts must be granted a control agreement in favor of the Bank;
- 6.2.7 Punctually pay all taxes, assessments, deductions at source, income taxes or other levies for which the payment is secured by privilege, prior claim, legal hypothec, security or other lien or charge, with no subrogation or consolidation;

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- 6.2.8 Punctually pay all principal, interest, fees and charges due to the Bank;
- 6.2.9 Notify the Bank, without delay, of any event of default or any other event which, following notice or the expiry of a time period, may constitute an event of default;
- 6.2.10 Provide the Bank with an updated appraisal on fixed assets from time to time upon request of the Bank acting reasonably;
- 6.2.11 Provide the Bank any additional information requested that it may reasonably require.

### 6.3 Negative Covenants

The Borrower and any corporate guarantor, if applicable, respectively undertake to obtain the Bank's prior written consent before they:

- 6.3.1 Materially change the nature of its operations or business;
- 6.3.2 Acquire or amalgamate with any other entity, continue its existence under the laws of another jurisdiction or initiate its dissolution, liquidation or file a notice of intention, an assignment of bankruptcy, a proposal seeking a reorganization or an arrangement with its creditors, under the bankruptcy and insolvency laws of Canada or similar laws of any foreign jurisdiction;
- 6.3.3 Hypothecate, encumber, pledge, or otherwise give as security any of its movable/personal or immovable/real property other than what is approved under Permitted Indebtedness;
- 6.3.4 Grant advances to its officers, directors, shareholders, partners or related parties other than in the normal course of its business;
- 6.3.5 Grant financial assistance, make an investment or provide a guarantee to a third party other than a subsidiary;
- 6.3.6 Modify the control, direct or indirect, of the Borrower;
- 6.3.7 Purchase by mutual agreement or redeem the shares of any category of the capital stock of the Borrower;
- 6.3.8 Declare or pay dividends on any class or kind of its shares, repurchase or redeem any of its shares or reduce its capital in any way whatsoever, repay any shareholders' advances, make any type of distribution to its partners or affiliated companies, and the bank consents to an allowance for up to \$20,000 in aggregate, per annum for any of the previously listed restricted types of distributions;
- 6.3.9 Make any type of distribution to its partners or shareholders, other than salary expenses in the usual and normal course of business;
- 6.3.10 Establish, sponsor, maintain, become a party or contribute to or become obligated to sponsor, maintain or contribute to any Multiemployer Plan or any Employee Plan (or permit any of its ERISA Affiliates to do any of the foregoing), unless doing so does not and shall not result in a Material Adverse Effect;
- 6.3.11 Violate or permit any of their Subsidiaries to violate any Anti-Money Laundering and Anti-Terrorism Law, except to the extent any such violations, in the aggregate, do not and shall not result in a Material Adverse Effect;
- 6.3.12 Conduct or permit any of their Subsidiaries to conduct any business with or for the benefit of a Blocked Person or a Canadian Sanctions Designated Person;
- 6.3.13 Become or permit any of their Subsidiaries to become a Blocked Person or a Canadian Sanctions Designated Person;
- 6.3.14 Act or attempt to act in any manner which would subject either of the Borrower or any guarantor to liability under any Anti-Corruption Law, except to the extent any such liabilities, in the aggregate, do not and shall not result in a Material Adverse Effect;
- 6.3.15 (A) contribute to or assume an obligation to contribute to any defined benefit Canadian Pension Plan, (B) acquire an interest in any person if such person sponsors, maintains or contributes to, or at any time in the five-year period preceding such acquisition has sponsored, maintained or contributed to a defined benefit Canadian Pension Plan, or (C) wind-up any defined benefit Canada Pension Plan, in whole or in part, unless it has obtained written advice from the actuary for such plan that the plan (or in the case of a partial windup, the relevant part of such plan) is

fully funded or has no unfunded liability at the effective date of the windup, unless doing so does not and shall not result in a Material Adverse Effect;

- 6.3.16** Use proceeds of the Credit Facilities to accumulate and or maintain cash or cash equivalents in depository accounts or investments. The Bank may at its discretion refuse to fund drawdowns for such purpose and the Borrower shall repay such proceeds upon request by the Bank;
- 6.3.17** Hold cash in accounts not under control of a Deposit Account Control Agreement in favor of the Bank;
- 6.3.18** Make payment under the Earn Out provision of the Share Purchase Agreement, unless all covenants discussed herein remain in compliance before and after such payment;
- 6.3.19** Relocate property into any jurisdiction that the bank has not yet perfected a first charge security interest over such property.

#### **6.4** Environmental Obligations

The Borrower and any guarantor, if applicable, respectively undertake to:

- 6.4.1** Comply with all legislative and regulatory environmental requirements (the "Environmental Requirements") with respect to its property and all the sites where it operates its company;
- 6.4.2** Immediately notify the Bank in the event that it does not comply with the Environmental Requirements relating to its property, its activities, or any neighbouring property, and immediately transmit to the Bank any notice or order it may receive or any fine that it may be ordered to pay in relation to the Environmental Requirements;
- 6.4.3** At the request of and in accordance with the conditions set by the Bank and, at its own cost, furnish any information with respect to its environmental situation, including any report prepared by a firm acceptable to the Bank;
- 6.4.4** In the event that any Environmental Requirements are not being respected, render all necessary work in order to ensure that its company and property comply with the Environmental Requirements and do so, within a period acceptable to the Bank; and,
- 6.4.5** Indemnify the Bank for any damage which the Bank may suffer or any liability which it may incur as a result of non-compliance with the Environmental Requirements.

The provisions, undertakings and indemnification set out in this section shall survive the cancellation and release of the security, and/or the final payment in full of any amount owing by the Borrower to the Bank.

## SECTION 7. DEFAULT

### 7.1 Events of Default

Without limiting the demand nature of the credits, as applicable, the occurrence of one or more of the following events shall constitute a default hereunder:

- 7.1.1 If the Borrower fails to pay any payment of principal or any interest, fees and incidental charges or any other amount payable hereunder or under any of the security documents when due and payable;
- 7.1.2 If the Borrower or any guarantor, if applicable, made a representation or warranty to the Bank which proves to be incorrect, erroneous or inaccurate;
- 7.1.3 If the Borrower, any guarantor or any intervenor, if applicable, fails to perform any of its obligations hereunder or pursuant to any of the security documents;
- 7.1.4 If the Borrower or any guarantor, if applicable, becomes insolvent or bankrupt, is in the process of winding up, makes an assignment of its property for the benefit of its creditors, files a proposal or gives notice of its intention to file such a proposal, is being reorganized, ceases to operate its business or if a material adverse change affects its financial situation;
- 7.1.5 If proceedings are instituted by the Borrower, any guarantor or a third party with respect to the Borrower or any guarantor, as applicable, or their operations for the bankruptcy, dissolution, winding-up, reorganization, composition, arrangement or readjustment of the indebtedness;
- 7.1.6 If a creditor, trustee in bankruptcy, receiver or other third party takes possession of all or a significant portion of the property of the Borrower or any guarantor, if applicable, or if in the Bank's opinion such property is subject to a prior notice of the exercise of a hypothecary right or an enforcement of security notice or a notice to withdraw authorization to collect claims, or is seized;
- 7.1.7 If the Borrower or any guarantor, if applicable, is in default under the terms of any other contract, agreement or writing with the Bank, any financial institution or government entity or any other creditor having any liens on the property of the Borrower or any guarantor, if applicable;
- 7.1.8 If this offer, any security document or other document related thereto ceases to be in force, including, without limitation, if a security ceases to retain the ranking provided for herein;
- 7.1.9 If any event causes a material adverse effect to the Borrower, its operations, or financial status and such material adverse effect is not remedied or is not able to be remedied within a period of ten (10) business days from the date of such event or written notice by the Bank to the Borrower of such event or from the date when the Borrower became aware of such event;
- 7.1.10 if the Borrower or any guarantor, if applicable, does not observe or perform any of the conditions contained in this agreement.

### 7.2 Rights and Remedies of the Bank

Without limiting the Bank's rights hereunder, under the security or related documents and subject to its other rights and remedies, in the event of default:

- 7.2.1 The Bank may terminate any credit facility and declare liquid and payable all monetary obligations of the Borrower not yet due at that time and claim from the Borrower or any guarantor, if applicable, without further notice or demand, immediate payment of all amounts owing;
- 7.2.2 The Bank may charge the Borrower reasonable analysis, administration and follow-up charges and may also retain the services of legal counsel, accountants or other professionals (and pay their fees) with respect to protecting and enforcing the Bank's security;
- 7.2.3 Any amount collected or received by the Bank, including the balance of any proceeds from the realization on the security, may be withheld by the Bank and, at its discretion, be applied to any portion of the Borrower's indebtedness to the Bank (on the understanding that any amount disbursed by the Bank to realize, retain or preserve any right or security given hereunder shall bear interest until payment in full, at the Bank's Canadian Prime Rate plus 3%).

The preceding provisions shall apply notwithstanding the fact that any of the beneficiaries or bearers of commercial letters of credit, letters of guarantee or bankers' acceptances issued hereunder, if applicable, has not requested payment in full or in part or has requested partial payment only from the Bank.

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**7.3 Waiver, Omission and Cumulative Remedies**

The Bank may set time limits, accept or waive security, accept arrangements, grant discharges and acknowledge cancellation/discharge, and transact with the Borrower, as it shall deem appropriate without in any way reducing the liability of the Borrower or any guarantor, or affecting the rights of the Bank hereunder, under the security provided herein or under any related document.

Any omission on the part of the Bank to notify the Borrower or any guarantor of any event of default hereunder or to avail itself of any of its rights hereunder shall not be construed as a waiver by the Bank to take recourse in such event of default or to exercise any right.

Acceptance by the Bank, following any default by the Borrower, of any sum owing to it or its exercising of any right or remedy shall not preclude the Bank from exercising any other right or remedy, which it may have, whether pursuant to any agreement or otherwise provided by law, said rights and remedies of the Bank being cumulative and not alternative, and in addition to and not in substitution for, any other right or remedy of the Bank.

**7.4 Increased Risk**

Should a material change, deemed unfavourable by the Bank, occur in the (i) level of inherent risk in the financing, (ii) the financial situation of the Borrower and/or any guarantor, (iii) the value of the property given as security to the Bank by the Borrower and/or any guarantor or the value of their enterprises (operations), (iv) the rank of the security granted in favour of the Bank, or (v) the Borrower's capacity to meet its obligations to the Bank, pursuant to the law or the terms and conditions of any contract deemed material by the Bank, the Bank reserves the right to cancel any credit facility at its sole discretion and demand repayment of any amount already disbursed in this respect.

**SECTION 8. MISCELLANEOUS PROVISIONS****8.1 Accounting Terms**

Each accounting term used herein, unless otherwise defined, shall have the meaning ascribed to it in the generally accepted accounting principles of the Canadian Institute of Chartered Accountants in effect at the time this Offer is accepted, and any financial information provided to the Bank by the Borrower must be prepared in accordance with those principles. Should there be a change in the way these accounting principles are interpreted or applied, in particular, with respect to the Borrower, which affects the calculation of certain ratios and other financial commitments, the Bank reserves the right to review these ratios and financial commitments, whether or not the financing has expired.

**8.2 Specifications concerning term loans**

Terms and conditions for term loans may be agreed upon verbally and confirmed to the Borrower by email or regular mail. If the Bank and the Borrower choose to extend the term before the term loan expires, the new term, applicable interest rate and the payment date (as applicable) may be agreed upon verbally with the loan remaining subject to the other applicable conditions. These terms and conditions may then be confirmed to the Borrower and Guarantor by email or regular mail. Neither the Bank nor the Borrower shall be obligated to extend a term loan at expiry, the Borrower could then repay the loan in full and the Bank could require payment of said loan.

**8.3 Definitions**

"AML Legislation" has the meaning ascribed thereto in Section 8.19.

"Anti-Corruption Laws" means any anti-bribery and anti-corruption laws of any relevant jurisdiction that are applicable to the relevant Borrower or any guarantor.

"Anti-Money Laundering and Anti-Terrorism Laws" means any terrorism or money laundering laws of any relevant jurisdiction that are applicable to the relevant Borrower or any guarantor, including, without limitation: (a) any AML Legislation, (b) the U.S. Money Laundering Control Act of 1986, (c) the U.S. Bank Secrecy Act, (d) the USA PATRIOT Act and (e) the laws, regulations and executive orders administered by the United States Department of the Treasury's Office of Foreign Assets Control (the "OFAC"), and as any of the foregoing laws may, from time to time, be amended or replaced.

"Blocked Person" includes any person listed on the list of Specially Designated Nationals and Blocked Persons published by the OFAC.

**"Business day"**: means any day, other than Saturday or Sunday, on which the offices of the Bank are open in the province identified in the last section herein titled "Governing Law."

**"Canadian Employee Benefits Legislation"** means the Canada Pension Plan (Canada), the *Pension Benefits Standards Act* (Canada) and any similar Canadian federal, provincial or local laws that may apply to any Canadian employee or any Canadian Employee Plan and the *Income Tax Act* (Canada), in each case, as such legislation may be amended from time to time, and the regulations thereunder.

**"Canadian Employee Plan"** means any employee benefit, health, welfare, supplemental unemployment benefit, bonus, pension (other than a Canadian Pension Plan), supplemental pension, profit sharing, retiring allowance, severance, deferred compensation, stock compensation, stock purchase, retirement, life, hospitalization insurance, medical, dental, disability or other employee group or similar benefit or employment plans or supplemental arrangements maintained by a governmental authority.

**"Canadian Pension Plan"** means any "pension plan" required to be registered under the *Income Tax Act* (Canada) and contributed to by either Borrower or any guarantor for its Canadian employees (within the meaning of the Canadian Employee Benefits Legislation), but does not include the Canada Pension Plan maintained by the Government of Canada or, if applicable, the Quebec Pension Plan maintained by the Government of Quebec.

**"Canadian Prime Rate"**: means the annual floating interest rate announced publicly by the Bank from time to time and used to determine the interest rates applicable to commercial loans in Canadian dollars granted by the Bank in Canada.

**"Canadian Sanctions Designated Person"** has the meaning ascribed thereto in Section 4.1.7.

**"Employee Plan"** means an employee pension benefit plan as defined in Section 3(2) of ERISA (other than a Multiemployer Plan) and subject to Title IV of ERISA and maintained for employees of either the Borrower or any guarantor or any of its ERISA Affiliates.

**"Equivalent Amount"** means, where any amount expressed in any currency has to be converted or expressed in another currency, or where its equivalent in another currency has to be determined (or vice versa), the calculation is made at the mid-point spot rate announced or quoted by the Bank of Canada in accordance with its normal practices at or around noon on the previous Business day for the relevant currency against the other currency (or vice versa).

**"ERISA"** means the U.S. *Employee Retirement Income Security Act* of 1974, as amended.

**"ERISA Affiliate"** means, with respect to any person, any trade or business (whether or not incorporated) which is a member of a group of which such person is a member and which would be deemed to be a "controlled group" within the meaning of Sections 414(b), (c), (m) and (o) of the U.S. Internal Revenue Code.

**"Exchange Rate"** means, on any day, with respect to the exchange of one currency (in this definition, the "First Currency") into another currency (in this definition, the "Other Currency"), the noon day spot rate of the Bank of Canada for the preceding day for purchases of the First Currency with the Other Currency, or if such rate is not or has not yet been quoted on such day, the last preceding noon day spot rate of the Bank.

**"Excess generated funds"**: means [net income + amortization +/- deferred income taxes for a given fiscal year] - [principal payments made during the given fiscal year].

**"Floating rate"**: means the interest rate applicable to floating-rate advances in Canadian or U.S. dollars, as applicable, made hereunder.

**"Multiemployer Plan"** means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA and subject to Title IV of ERISA to which either Borrower or any guarantor or any of its ERISA Affiliates is obligated to contribute.

**"OFAC"** means the United States Department of the Treasury's Office of Foreign Assets Control.

**"OFAC Sanctions Programs"** means the U.S. sanctions laws, regulations and executive orders administered by OFAC, including, without limitation, Executive Order No. 13224 on Terrorist Financing, in each case, as renewed, extended, amended, or replaced.

**"Permitted Indebtedness"**: means encumbrances on specific equipment of the Borrower permitted by the Bank for existing and future equipment loans and leases totaling not more than \$500,000 in aggregate;

**"Rate offered"**: means the annual interest rate determined from time to time by the Bank, for the term chosen by the Borrower, as being the fixed interest rate applicable to its commercial fixed-rate term loans granted by the Bank in Canada for the same term.



**"U.S. Base Rate"**: means the annual floating interest rate announced publicly by the Bank from time to time and used to determine the interest rates applicable to commercial loans in U.S. dollars granted by the Bank in Canada.

#### **8.4 Calculation of Interest and Arrears**

Unless otherwise stipulated herein or in any related document relating to this Offer, including without limitation, all demand and term notes, interest and arrears shall be calculated as follows:

- 8.4.1** Interest on any amount due hereunder shall be calculated daily and not in advance on the basis of a 365-day year. For the purposes of the Interest Act (Canada) in the case of a leap year, the annual interest rate corresponding to the interest calculated on the basis of a 365-day year is equal to the interest rate thus calculated multiplied by 366 and divided by 365;
- 8.4.2** Interest shall be payable on the 26th day of each month, with a minimum charge of \$10 per credit payable on demand. However, under no circumstances shall the interest payable (or any amount considered interest under the law) exceed the maximum interest amount permitted by law. As applicable, the interest amount will be reduced so as not to exceed this maximum; and
- 8.4.3** Any amount of principal, interest, commission, discount or of any other nature remaining unpaid at maturity shall bear interest at the rate of the credit concerned. The interest on arrears shall be compounded monthly and payable on demand.

#### **8.5 Records**

The Bank shall keep records evidencing the amounts payable under this financing, including but not limited to the principal repayment and interest payment conditions as well as applicable fees. Unless expressly indicated otherwise, the content of these records shall provide evidence as to the indebtedness to which they attest.

Converting advances or loans, during the term of credit or at expiry, based on the terms and conditions set out for the applicable credit, as well as any change in a credit name or number in the Bank's records shall not result in the novation of credits or the Borrower's indebtedness, regardless of the transaction entry or processing by the Bank's computer systems.

#### **8.6 Currency of Payments**

All amounts due by the Borrower hereunder shall be paid by the Borrower to the Bank in the currency of the relevant credit. Whenever an amount in Canadian dollars is to be converted into or expressed in U.S. dollars, or the equivalent in U.S. dollars (or inversely) must be determined, the Bank may calculate this conversion or equivalence in accordance with its normal practices.

#### **8.7 Credit Facility Overrun**

Should the indebtedness owing to the Bank under a credit facility hereof exceed the authorized credit amount hereunder and the Bank has not formally authorized this situation, the Borrower shall be required to repay the Bank, without further notice or demand, an amount equal to such excess amount. If, however, the Bank were to tolerate an amount in excess of the authorized credit facility, the Borrower hereby undertakes to pay the overlimit fees required at such time by the Bank, failing which the Borrower shall be required to repay such excess amount to the Bank.

#### **8.8 Additional Costs**

The Borrower undertakes to pay the Bank for the following costs, as determined by the Bank:

- 8.8.1** Should a statute, regulation, or administrative policy or order have the effect of increasing the costs of the credit facility for the Bank (namely as a result of the imposition of any reserves, taxes or capital adequacy requirements for the Bank), the Borrower shall pay this additional cost on demand; and
- 8.8.2** All taxes or additional costs that may arise from the application of any federal, provincial or municipal legislation.

**8.9 Payments and Debit to the Account(s)**

The Borrower irrevocably authorizes the Bank to debit periodically or from time to time any bank account it may maintain at the Bank in order to pay all or part of the amounts it may owe to the Bank hereunder. If the payment is payable on a non-business day, this payment may be made on the next business day and this delay shall be taken into consideration when calculating the interest.

**8.10 Set-off**

In addition to all its other rights, the Bank may offset any amount owing hereunder with any sum due by the Bank to the Borrower or a guarantor (including in accordance with any deposit made with the Bank), even if this sum is not due or is payable in another currency (in which case the Bank can convert this amount into the currency of the amount due to the Bank). To do any of the foregoing, the Bank may debit any account held by the Borrower or a guarantor with the Bank.

Without limiting the foregoing, the Borrower authorizes the Bank to establish every day, or at any other interval the Bank may determine, the position or net position, as applicable, of the Borrower's deposit account(s) with the Bank (the "Deposit Account"), and it is understood that:

**8.10.1** If the position or net position of the Deposit Account represents a credit balance, the Bank may apply all or part of this credit to the repayment of the advances under any revolving credit made available to the Borrower and shall debit the Deposit Account for the amount paid, rounded to the amount of the minimum repayment applicable to the relevant credit; and

**8.10.2** If the position or net position of the Deposit Account represents a debit balance, the Bank shall grant an advance under any revolving credit made available to the Borrower to create a credit balance or a net credit balance in the Deposit Account and increase the advances for such revolving credit by an equivalent amount without however exceeding the authorized credit amount; the advance shall be rounded to the amount of the minimum disbursement applicable to the relevant credit, if applicable.

**8.11 Assignment**

The Borrower cannot assign its rights hereunder. The Bank may, however, assign or transfer all or part of its rights and obligations under this Offer (or grant participations), without notifying the Borrower or any guarantor.

**8.12 Presumption of Accuracy of Information**

All documents and information provided to the Bank by the Borrower, regardless of the medium (paper, electronic, verbal or other form) whether or not they are signed by one of the Borrower's representatives, shall be deemed by the Bank to be accurate and validly issued by the Borrower, without further formality. Moreover, the Bank shall not be held liable for any fees or delays which may be caused when an instruction is sent and which could be due to a technical problem attributable to the systems in use at the Bank.

**8.13 Final Agreement, Interpretation and Counterparts**

Once accepted and signed by the Borrower, this Offer of Financing shall constitute the final agreement between the parties, with the exception of any subsequent written amendments agreed upon by the parties, and it shall supersede any prior agreements, verbal or written, with respect to the financing solution described herein.

This Offer is made without novation to the credits already granted to the Borrower, if applicable, and without derogation to the rights, hypothecs, security, mortgages, guarantees, suretyships, remedies, recourses and priority ranking arising from any previous offer of financing and the security documents, and the other writings related thereto, which shall continue to secure all the terms, conditions and obligations of such credits, whether covered or not by this Offer.

In the event of inconsistency between this Offer and any other prior agreement relating to the credits described herein already granted in favour of the Borrower, the terms and conditions of this Offer shall prevail.

This Offer may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and all such counterparts taken together shall constitute one and the same document. Delivery of an executed counterpart by facsimile or by sending a scanned copy by electronic mail shall be as effective as delivery of a manually-executed counterpart of that Credit Document.

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#### 8.14 Indemnification

The Borrower and guarantor agree to indemnify and save harmless the Bank, its officers, administrators, employees and agents against all losses, liability, claims, damages and fees suffered or incurred by them, in any manner whatsoever, arising from or in connection with this offer (notably further to the Borrower's failure to abide comply with any applicable law or regulation, including failure to comply with fiscal law or regulation), except if these losses, liability, damages or fees result from the gross negligence or intentional fault of the Bank, its officers, administrators, employees or agents. This provision shall survive the cancellation of the security or full and final payment of any amount owing by the Borrower to the Bank.

#### 8.15 Liability

When the term "Borrower" designates more than one person, each one shall be jointly and severally (Canada except Quebec) or solidarily (Quebec) liable for the obligations stipulated herein including, without limitation, those resulting from advances made by the Bank.

#### 8.16 Review

The terms and conditions of the credits granted by the Bank to the Borrower hereunder are subject to periodic review, at the Bank's discretion.

#### 8.17 Fees and Charges

**A non-refundable fee in the amount of \$500** shall be earned, due and payable by the Borrower and shall be collected directly from the Borrower's current account on issuance of a final offer of financing by the Bank including terms and conditions materially the same as those described herein, if not paid by the Borrower separately prior to any initial advance.

Annual review fee in the amount of **\$1,500.00** shall be collected annually from the Borrower's current account.

In addition, non-refundable fees for preparing and maintaining the movable/personal property security plus fees for each cession of rank required, if applicable, are payable to the Bank in addition to the other fees already provided for herein and shall be collected directly from the Borrower's current account, on acceptance of this Offer or during their preparation for cessions of rank. Fees are also applicable for any changes that could be made to the security, including a reduction.

All fees charged to the Bank by Export Development Canada or any other such insurer to obtain any guarantee or suretyship regarding any credit described herein shall be payable by the Borrower and shall be collected directly from the Borrower's current account.

**Monthly fees in the amount of \$200** shall be collected by the Bank to monitor financing conditions as previously noted in in section 1 above.

Whether or not the following proposed transaction is carried out or whether or not the financing is disbursed, the following costs, charges and expenses, if applicable, are payable by the Borrower, in addition to the other fees already provided for herein:

- (i) All the costs to prepare and register security documents required herein; and
- (ii) All the professional fees, charges and expenses (in particular, appraisal, audit, notary and lawyer fees) incurred under this Offer and other documents covered by these Terms and Conditions.

#### 8.18 Collection, Use and Disclosure of Information

The Borrower, the guarantor(s), if applicable, and their representative(s) hereby authorize the Bank to use the necessary information pertaining to them which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize the Bank to disclose such information to its affiliates and subsidiaries for this same purpose. Moreover, they hereby authorize the Bank to obtain personal information pertaining to them from any party likely to have such information (financial intermediaries, depositaries, credit-reporting agencies, financial institutions, creditors, employers, professionals, tax authorities, public entities, persons with whom they have business relations, and Bank affiliates and subsidiaries) in order to verify the accuracy of all information provided to the Bank and to ensure the solvency of the Borrower, the guarantor(s), if applicable, and their representative(s).

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**8.19 AML Legislation**

Each of the Borrower and each of the guarantors acknowledges that, pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), the USA Patriot Act and any other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Bank and the Agent may be required to obtain, verify and record information regarding the Borrower, the guarantors, their respective directors, authorized signing officers, direct or indirect shareholders or other persons in control of the Borrower or the guarantors, as the case may be, and the transactions contemplated hereby. Each of the Borrower shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Bank or the Agent, or any prospective assignee or participant of a Bank or the Agent, from time to time, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Banks agrees that the Agent has no obligation to ascertain the identity of the Borrower and each of the guarantors or any authorized signatories of the Borrower and each of the guarantors on behalf of any Bank, or to confirm the completeness or accuracy of any information it obtains from the Borrower and each of the guarantors or any such authorized signatory in doing so.

**8.20 Confidentiality**

The Borrower shall not make any public announcements, and keep confidential any agreement or other documentation as well as any information or communication, written or verbal, between the Bank, any member of its group, any individual involved or any representative and any individual who is part of the Borrower, all regarding the transaction proposed herein and the reasons motivating it.

**8.21 Demand Credit Facilities**

Notwithstanding any provision to the contrary, the Borrower agrees and acknowledges that (i) the credit facilities payable on demand in this Offer constitute demand credits and, are therefore payable at any time at the Bank's sole discretion and (ii) the Bank may, at any time, before or after a request for reimbursement, terminate these credit facilities and stop making new advances, without delay or notice to the Borrower.

**8.22 Invalidity of Any Provisions Herein**

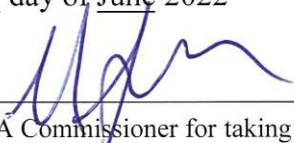
This Offer does not constitute an indivisible whole. Any decision by a court rendering any of the provisions hereof null or unenforceable shall in no way affect, invalidate or render unenforceable the other provisions hereof.

**8.23 Governing Law**

This Offer shall be construed and interpreted in accordance with the laws of the Province of Alberta.

# Tab B

This is Exhibit "B" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto  
this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario



## GENERAL SECURITY AGREEMENT (all present and future assets)

GRANTED BY: PREMIUM COMFORT HEATING & AIR CONDITIONING LTD. (hereafter called the "Debtor")

TO NATIONAL BANK OF CANADA (hereafter called the "Bank").

### 1. GRANT OF SECURITY INTEREST

#### 1.1 Security Interest

As general and continuing security for the payment and performance of all Obligations of the Debtor to the Bank, the Debtor hereby grants to the Bank a security interest in all of the Debtor's present and after-acquired property and undertaking (collectively, the "Collateral") and also mortgages, charges and assigns the Collateral to the Bank. Without limitation, the Collateral includes all right, title and interest that the Debtor now has or may hereafter have or acquire in any manner whatsoever (including by way of an amalgamation) in all property of the following kinds:

- (a) **Receivables:** all debts, accounts, claims and choses in action for monetary amounts (collectively, the "Receivables");
- (b) **Inventory:** all inventory of whatever kind and wherever situated (collectively, the "Inventory");
- (c) **Equipment:** all machinery, equipment, fixtures, furniture, vehicles and other goods which are not Inventory (collectively, the "Equipment");
- (d) **Securities:** all shares, bonds, debentures and other securities (collectively, the "Securities");
- (e) **Instruments and Money:** all bills, notes, cheques and other instruments (collectively, the "Instruments") and all money;
- (f) **Documents of Title and Chattel Paper:** all warehouse receipts, bills of lading and other documents of title, whether negotiable or not, and all chattel paper;
- (g) **Intangibles:** all intangibles not otherwise described in this Section 1.1 including, without limitation, all goodwill and all patents, trademarks, copyrights and other intellectual property;
- (h) **Real Property:** all real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively, the "Real Property"), and all rights under any lease or agreement relating to Real Property;
- (i) **Books and Records:** all books, invoices, documents and other records in any form evidencing or relating to the Collateral; and
- (j) **Proceeds:** all proceeds of any Collateral in any form derived directly or indirectly from any dealing with the Collateral or that indemnifies or compensates for the loss of or damage to the Collateral.

#### 1.2 Obligations Secured

The obligations secured by this Agreement include all debts and liabilities of the Debtor to the Bank, present and future, direct and indirect, absolute and contingent, matured and unmatured, wherever and however incurred, and whether arising from dealings between the Bank and the Debtor or from other dealings by which the Bank may be or become a creditor of the Debtor and whether incurred by the Debtor alone or with another and whether as principal or guarantor or otherwise (collectively, the "Obligations").

#### 1.3 Certain definitions

- (a) The terms "accessions", "accounts", "chattel paper", "documents of title", "equipment", "goods", "instruments", "intangibles", "inventory", "money", "proceeds" and "securities" whenever used herein have the meanings given to those terms in the Personal Property Security Act currently in effect in the province referred to in Section 6.12 below;
- (b) Any reference in this Agreement to the security granted hereby refers collectively to the security interest, mortgage, charge and assignment hereby granted in favour of the Bank.

#### 1.4 Attachment of Security

The Debtor acknowledges that value has been given and agrees that the security granted hereby attaches upon the execution of this Agreement (or, in the case of any after-acquired property, at the time of acquisition by the Debtor of any rights therein).

#### 1.5 Real Property

- (a) With respect to (and only to) Real Property, the security granted hereby is constituted by way of floating charge, but will become a fixed charge upon the earlier of (i) the Obligations becoming immediately payable, and (ii) the occurrence of any other event which by operation of law would result in such floating charge becoming a fixed charge;
- (b) The security granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Debtor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its security, will assign such last day as directed by the Bank.

### 2. REPRESENTATIONS, WARRANTIES AND COVENANTS

#### 2.1 Representations and Warranties

- The Debtor hereby represents and warrants to the Bank that:
- (a) the chief executive office and the registered office of the Debtor are located at the addresses specified in Schedule A, and any trade name used by the Debtor is listed in Schedule A;
  - (b) the Inventory and Equipment of the Debtor are located at the addresses specified in Schedule A, except for goods in transit or on lease or consignment; and
  - (c) all motor vehicles, trailers, mobile or manufactured homes, aircraft, boats and outboard motors ("Serial Numbered Goods") in which the Debtor has rights and used as equipment are fully and accurately described in Schedule "A"; the Debtor will advise the Bank promptly, in writing, of any other Serial Numbered Goods that are held as Equipment and will provide the Bank with full and complete descriptions of such Serial Numbered Goods.

#### 2.2 Covenants

- The Debtor covenants with the Bank that the Debtor will:
- (a) not change the location of its chief executive office and its registered office or move any of the Inventory or Equipment from the locations specified in Schedule A hereto, without the written consent of the Bank;
  - (b) not change its name without first giving written notice to the Bank of its proposed new name and, if the Debtor is a corporation, not amalgamate with any other corporation without the prior written consent of the Bank;
  - (c) preserve the value of the Collateral, and carry on its business in compliance with all applicable laws and regulations;
  - (d) not permit any Collateral consisting of personal property to be affixed to real property or to other personal property so as to become a fixture or accession without the written consent of the Bank;
  - (e) keep the Collateral free and clear of all liens, security interests, mortgages, charges, assignments and other encumbrances or interests except as permitted in writing by the Bank;
  - (f) pay all taxes, levies, assessments and government fees or dues payable in respect of the Collateral as and when the same become due, and furnish to the Bank, when requested, evidence of such payment;
  - (g) whenever requested by the Bank, furnish to the Bank in writing all information requested relating to the Collateral, and the Bank will be entitled from time to time to inspect

the Collateral and make copies of all information relating to the Collateral and for such purposes the Bank will have access to all premises occupied by the Debtor or where the Collateral may be found;

- (h) ensure that the security granted hereby is at all times fully enforceable and perfected in respect of any Collateral; and
- (i) pay to the Bank forthwith upon demand all costs, fees and expenses (including, without limitation, all legal, receiver, consulting and accounting fees and expenses) incurred or charged by the Bank in connection with the preparation, perfection, administration and discharge of this Agreement and the preservation and exercise of the rights, powers and remedies of the Bank; and all such costs, fees and expenses will bear interest at the highest rate borne by any of the Obligations and will form part of the Obligations

### 3. INSURANCE

#### 3.1 Insurance Covenant

The Debtor must obtain and maintain, at its own expense, insurance against loss or damage to the Collateral including, without limitation, loss by fire, theft, collision and such other risks as are customarily insured against for each type of Collateral, in an amount not less than the full insurable value thereof, with such insurers as are reasonably satisfactory to the Bank.

#### 3.2 Bank loss payee

All insurance policies must name the Bank as an additional insured and loss payee and must provide that the insurer will give the Bank at least 15 days written notice of intended cancellation or non-renewal. At the Bank's request, the Debtor must furnish the Bank with evidence satisfactory to the Bank that the required insurance coverage is in effect. The Debtor must forthwith give the Bank notice of any loss or damage to the Collateral.

### 4. DEALING WITH COLLATERAL

#### 4.1 Disposition of Collateral by the Debtor

The Debtor must not sell, lease or otherwise dispose of any of the Collateral without the prior written consent of the Bank, except that the Debtor may, until an Event of Default occurs hereunder, dispose of inventory in the ordinary course of its business, but all proceeds of any such disposition will continue to be subject to the security granted hereby and Section 4.4 below will apply to all such proceeds received by the Debtor.

#### 4.2 Notification of Account Debtors

The Bank may at any time (i) give notice of this Agreement and the security granted hereby to any account debtor of the Debtor or to any other person liable to the Debtor and (ii) give notice to any such account debtor or other person to make all further payments to the Bank. Any payment or other proceeds of Collateral received by the Debtor from account debtors or from any other person liable to the Debtor, whether before or after any notice is given by the Bank will continue to be subject to the security granted hereby and Section 4.4 below will apply to all such proceeds.

#### 4.3 Securities

The Bank may have any Securities registered in its name or in the name of its nominee and will be entitled, but not required, to exercise any of the rights that any holder of such Securities may at any time have. However, until an Event of Default occurs, the Debtor will be entitled to exercise, in a manner not prejudicial to the interests of the Bank or which would not violate this Agreement, all voting power from time to time exercisable in respect of the Securities. The Bank will not be responsible for any loss occasioned by its exercise of any of such rights. Before or after an Event of Default occurs hereunder, the Debtor must deliver forthwith to the Bank those Securities requested by the Bank duly endorsed for transfer.

#### 4.4 Proceeds held in Trust for the Bank

All proceeds received by the Debtor from the collection or disposition of Collateral or otherwise will be received by the Debtor as trustee for the Bank, must be held separate and apart from other property and must be paid over to the Bank upon request.

### 4.5 Application of Funds

All sums collected or received by the Bank in respect of the Collateral may be applied to 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 Debtor, all without prejudice to the Bank's rights against the Debtor.

### 4.6 Collateral held by the Bank

In the holding of any Collateral, the Bank and any agent 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 of similar value held in the same place. The Bank and any agent 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 Debtor reasonably requests in writing, but failure of the Bank or its agent to comply with any such request will not of itself be deemed a failure to exercise reasonable care.

## 5. DEFAULT AND REMEDIES

### 5.1 Events of Default

The Debtor will be in default under this Agreement upon the occurrence of any of the following events (herein referred to as an "Event of Default"):

- (a) the Debtor does not pay to the Bank when payable any sum owing under the Obligations;
- (b) the Debtor does not perform any of its covenants or obligations under this Agreement;
- (c) any representation or warranty made by the Debtor herein or in any document provided at any time to the Bank in connection with this Agreement is incorrect or misleading in any material respect;
- (d) the Debtor is in default under any other agreement with the Bank;
- (e) the Debtor ceases or threatens to cease to carry on the business currently being carried on by it or a substantial portion thereof;
- (f) the Debtor is insolvent;
- (g) the commencement of any proceeding or the taking of any step by or against the Debtor (i) for the bankruptcy, reorganization, liquidation, dissolution or winding-up of the Debtor, (ii) for an arrangement or compromise with its creditors, or (iii) for the appointment of a trustee, receiver, custodian, liquidator or any other person with similar powers with respect to the Debtor or any part of the Collateral;
- (h) the Collateral or any part thereof is seized or otherwise attached or is subject to a taking of possession by anyone and the same is not released or discharged within the shorter of a period of (i) 30 days and (ii) 10 days less than such period as would permit such property to be sold pursuant thereto; or
- (i) the Bank believes in good faith that the prospect of payment or performance of any of the Obligations is impaired or that the Collateral is in danger of being lost, damaged or confiscated, or of being encumbered by the Debtor or seized or otherwise attached.

### 5.2 Consequences of a Default

On or after the occurrence of any Event of Default, at the option of the Bank, (i) any or all of the Obligations not yet payable will become immediately payable, without notice; (ii) the obligation, if any, of the Bank to extend further credit to the Debtor will cease; and (iii) the security granted hereby will become immediately enforceable.

### 5.3 Remedies

In addition to any right or remedy otherwise provided herein or by law, on or after the occurrence of any Event of Default, the Bank will have the rights and remedies set out below, all of which may be enforced successively or concurrently:

- (a) the Bank may take possession of the Collateral and require the Debtor to assemble the Collateral and deliver or make the Collateral available to the Bank at such places as may be specified by the Bank;



- (b) the Bank may take such steps as it considers desirable to maintain, preserve or protect the Collateral;
- (c) the Bank may carry on all or any part of the business of the Debtor;
- (d) the Bank may enforce any rights of the Debtor in respect of the Collateral;
- (e) the Bank may sell, lease or otherwise dispose of the Collateral at public auction, by private tender, by private sale or otherwise either for cash or upon credit, upon such terms and conditions as the Bank may determine and without notice to the Debtor unless required by law;
- (f) the Bank may accept the Collateral in total or partial satisfaction of the Obligations in the manner provided by law;
- (g) the Bank may, for any purpose specified herein, borrow money on the security of the Collateral, which security will rank in priority to the security granted hereby;
- (h) the Bank may occupy and use all or any of the premises, buildings and plants occupied by the Debtor and use all or any of the Equipment and other property of the Debtor for such time as the Bank requires to facilitate the realization of the Collateral, free of charge; the Bank will not be liable for any rent, charges, depreciation or damages in connection with such actions; or
- (i) the Bank may appoint a receiver or receiver and manager (each herein referred to as the "Receiver") of the whole or any part of the Collateral and may remove or replace such Receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Collateral.

#### 5.4 Powers of the Receiver

Any Receiver will have all of the rights and powers that the Bank is entitled to exercise pursuant to Section 5.3, but the Bank will not be in any way responsible for any misconduct or negligence of any such Receiver.

#### 5.5 Liability of Bank

The Bank will not be liable or responsible for any failure to seize, collect, realize, or obtain payment with respect to the Collateral and is not bound to institute proceedings or to take other steps for the purpose of seizing, collecting, realizing or obtaining possession or payment with respect to the Collateral or for the purpose of preserving any rights of the Bank, the Debtor or any other person in respect of the Collateral. This Agreement and the security granted hereby will not render the Bank liable to observe or perform any covenant or obligation of the Debtor in any agreement or document to which the Debtor is a party or by which it is bound. In the exercise of its rights and the performance of its obligations, the Bank will only be liable for gross negligence or wilful misconduct.

#### 5.6 Proceeds of Realization

The Bank may apply any proceeds of realization of the Collateral to payment of costs, fees and expenses mentioned in Section 2.2(i), including those related to the realization of the Collateral, and the Bank may apply any balance to payment of all other Obligations in such order as the Bank sees fit. If there is any surplus remaining, the Bank may pay it to any person entitled thereto by law of whom the Bank has knowledge and any balance remaining may be paid to the Debtor. If the realization of the Collateral fails to satisfy the Obligations, the Debtor will be liable to pay any deficiency to the Bank.

### 6. GENERAL

#### 6.1 Failure of Debtor to Perform

If the Debtor fails to perform any of its covenants or obligations under this Agreement, the Bank may, in its absolute discretion, but without being required to do so, perform any such covenant or obligation. If any such covenant or obligation requires the payment of monies, the Bank may make such payment. All sums so paid by the Bank will be payable by the Debtor to the Bank and, for greater certainty, Section 2.2(i) will apply to such sums. No such performance or payment will relieve the Debtor from any default under this Agreement or any consequences of such default.

#### 6.2 Power of Attorney

The Debtor hereby irrevocably appoints the Bank to be the attorney of the Debtor for and in the name of the Debtor to do all things and execute and deliver, documents, financing statements, demands and assignments which the Debtor is obliged to do or execute or deliver hereunder and generally to act in the name of the Debtor in the exercise of any of the powers hereby conferred on the Bank.

#### 6.3 Appointment of Consultant

The Bank will be entitled to appoint a consultant to provide such services and advice as the Bank may determine in its sole discretion, with power to enter the Debtor's premises, to inspect and evaluate the Collateral, to make copies of the Debtor's records, to review the Debtor's business plans and projections, to assess the conduct and viability of the Debtor's business, to prepare reports on the Debtor's affairs and to distribute such reports to the Bank or to other such persons as the Bank may direct. Such consultant will act as an agent for the Bank and will owe no duty to the Debtor. The consultant is to have no managerial or advisory capacity and will have no decision making responsibility. The Debtor authorizes the Bank to provide confidential information to the consultant. All fees and expenses in connection with the engagement of a consultant are payable by the Debtor to the Bank and, for greater certainty, Section 2.2(i) will apply to such fees and expenses.

#### 6.4 Waivers by Debtor

The Bank may (i) grant extensions of time, (ii) take and perfect or abstain from taking and perfecting security, (iii) give up any security, (iv) accept compositions or compromises, (v) grant releases and discharges, and (vi) otherwise waive rights against the Debtor, debtors of the Debtor, guarantors and others and with respect to the Collateral and other security as the Bank sees fit. No such action or omission will reduce the Obligations or affect the Bank's rights hereunder.

#### 6.5 Waivers of Legal Limitations

To the fullest extent permitted by law, the Debtor waives all of the rights, benefits and protections given by the provisions of any law which imposes limitations upon the powers, rights or remedies of a secured party, including any law which limits the rights of a secured party to both seize collateral and sue for any deficiency following realization of collateral. Without limitation, the Debtor (if a corporation) agrees that the *Limitation of Civil Rights Act and Part IV of the Saskatchewan Farm Securities Act* of the Province of Saskatchewan will not apply to this Agreement or any of the rights, remedies or powers of the Bank or any Receiver hereunder.

#### 6.6 Copy of Documents and Consent to Filings

The Debtor acknowledges having received a copy of this Agreement and waives all rights to receive from the Bank a copy of any financing statement, financing change statement, or verification statement, filed or issued at any time in respect of this Agreement. The Debtor confirms its consent to the filing by the Bank or on its behalf of any such financing statement or financing change statement.

#### 6.7 Notices

Any notice to be given to a party in connection with this Agreement will be given in writing and will be given by personal delivery, by registered mail or by electronic means, addressed to the recipient at its address specified at the end of this Agreement or such other address as may be notified by any party to the other.

#### 6.8 Additional Security and Other Remedies

This Agreement and the security granted hereby are in addition to and not in substitution for any other security or right now or hereafter held by the Bank. This Agreement is a continuing agreement and security that will remain in full force and effect until discharged by the Bank. The Bank may sue the Debtor and enforce all of its other rights and remedies in respect of the Obligations without being required to exercise or exhaust any of its rights and remedies hereunder.

**6.9 Further Assurances**

The Debtor must at its expense do all things and execute and deliver all such financing statements, further assignments and documents as may be reasonably requested by the Bank for the purpose of giving effect to this Agreement and establishing compliance with the obligations of the Debtor hereunder.

**6.10 Discharge**

The Debtor will be entitled to a discharge of this Agreement upon written request by the Debtor and full payment, performance and satisfaction of the Obligations. No discharge will be effective unless in writing and executed by the Bank.

**6.11 Severability**

If any provision of this Agreement were to be found invalid or unenforceable, the remaining terms and provisions of this Agreement will remain in full force and effect.

**6.12 Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the province in which the office of the Bank specified below is located, except that if such office is located in the province of Quebec, then this Agreement will be governed by and construed in accordance with the laws of the province of Ontario.

IN WITNESS WHEREOF the parties have executed this Agreement.

DEBTOR:

PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.

Debtor's name

Jan. 29/20  
Date of Execution

By: [Signature]  
(Authorized signature)  
Sean Douglas Van Steinburg

[Signature]  
(Authorized signature)  
Carolyn Cindy Van Steinburg

 NATIONAL BANK OF CANADA

Jan 28/20  
Date of Execution

By: [Signature]  
(Authorized signature)

ADDRESS OF DEBTOR FOR NOTICE PURPOSES:

ADDRESS OF BANK FOR NOTICE PURPOSES:

9 Sir Winston Churchill Square, Edmonton, AB T5J 5B5

## SCHEDULE A

To a General Security Agreement made as of January 29<sup>th</sup> 2020 between Premium Comfort Heating & Air Conditioning Ltd., as Debtor and National Bank of Canada, as Bank.

1. **ADDRESS(ES) OF PLACE(S) OF BUSINESS AND TRADE NAME(S) (Section 2.1(a))**  
 Chief executive office <sup>1</sup>: 104-470 Neave Cr., Kelowna BC V1V 2M2  
 Registered office <sup>2</sup>: 400-275 Lawrence Ave., Kelowna BC V1Y 6L2  
 Other place(s) of business <sup>3</sup>: Fireplace Gallery at 103-480 Neave Cr., Kelowna BC  
 Trade Names <sup>4</sup>: N/A
2. **LOCATION OF INVENTORY AND EQUIPMENT (Section 2.1(b))**  
 Address(es) <sup>5</sup>: Same as above
3. **EQUIPMENT CONSISTING OF SERIAL NUMBER GOODS (Section 2.1(c)) <sup>6</sup>**

Year	Colour	Model	Vin #
2014	Black	Ford F150	1FTFW1ET7EKF65956
2014	White	Ford F150	1FTMF1CM1EKE73261
2010	Grey	F150 PU	1FTMF1CW7AKE01878
2010	White	Ford F150	1FTFW1EV7AFD46726
2012	White	Ford Transit	NM0LS7DN0CT098467
2009	White	Ford Ranger	1FTYR10D49PA29619
2012	White	Ford E450 Cutaway Van	1FDXE4FS2CDA56689
2013	White	Ford E250 Van	1FTNE2EWODDA65820
2019	White	Ford Transit 250	1FTYR2CM4KKA13280
2011	White	Ford E350 Van	1FDWE3FLXBDA22903
2007	White	Ford E150 Van	1FTNE14W77DB40206

<sup>1</sup> If the Debtor has only one place of business, indicate the address of that place of business. If the Debtor has more than one place of business, indicate the address of its place of business which is its principal decision-making centre.

<sup>2</sup> Indicate "same as above" if the registered office (legal head office) is at the same address as the chief executive office.

<sup>3</sup> Indicate "none" if the Debtor has no other place of business.

<sup>4</sup> Use an annex if necessary.

<sup>5</sup> Indicate "same as above" if the inventory and equipment of the Debtor are all located at the address(es) specified in 1.

<sup>6</sup> Indicate make, model, year of manufacture, serial number and any registration or governmental mark or number.

# Tab C

This is Exhibit "C" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto  
this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario

## GENERAL ASSIGNMENT OF BOOK DEBTS

1. FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned Debtor, PREMIUM COMFORT HEATING & AIR CONDITIONING LTD. of 104-470 Neave Crt., Kelowna in the Province of BRITISH COLUMBIA, hereby assign(s) transfer(s) and grant(s) to NATIONAL BANK OF CANADA, a Chartered Bank having its Head Office at the City of Montreal in the Province of Quebec, and having a branch office at 9 SIR WINSTON CHURCHILL SQUARE, EDMONTON, T5J 5B5 in the Province of ALBERTA, (hereinafter called the "Bank") a continuing and specific security interest in all debts, proceeds, accounts, claims, money and choses in action which now are or which may at any time hereafter be due or owing to or owned by the undersigned and also all deeds, documents, writings, papers and books relating to or being records of goods or their proceeds, or by which goods or their proceeds are or may hereafter be secured, evidenced, acknowledged or made payable including Documents of Title, (and remaining debt instruments) Chattel Paper, Securities and Instruments, and all contractual rights and insurance claims relating to collateral (hereinafter called the "Collateral").
2. The undersigned agrees that the Collateral shall be held by the Bank as a general and continuing collateral security for the payment of all obligations, indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, of the undersigned to the Bank, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, and as a first and prior claim upon the Collateral.
3. The undersigned covenants at all times to notify the Bank in writing promptly of any change in the information contained herein relating to the undersigned (including the name and location of the chief executive office, sole place of business or residence, as the case may be, of the undersigned aforesaid) and of any material default by any person in payment or other performance of obligations to the undersigned with respect to any of the Collateral.
4. So long as this assignment remains in effect, the undersigned covenants not to sell, or further assign or encumber the Collateral without the prior written consent of the Bank. The undersigned represents and warrants that the Collateral is genuine and owned by the undersigned free of all security interests or other encumbrances.
5. The Bank may collect, realize, sell or otherwise deal with the Collateral or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after default, as may seem to it advisable and without notice to the undersigned. All moneys collected or received by the undersigned in respect of the Collateral shall be received as trustee for the Bank, and shall be forthwith paid over to the Bank by the undersigned.
6. The Bank shall not be bound to do, observe or perform or see to the observance or performance by the undersigned of any obligations or covenants imposed upon the undersigned nor shall the Bank be obliged to preserve rights against other persons in respect of any Securities or Records in its possession.
7. The Bank may apply the amounts collected or received by it on account of such parts of the indebtedness and liabilities of the undersigned to the Bank as to the Bank seems best or hold the same in a separate collateral account for such time as it may see fit and then apply the same as aforesaid, the whole without prejudice to its claim for any deficiency.
8. The Bank may compound, compromise, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the debtors of the undersigned, the undersigned and others, and with the Collateral and other securities as the Bank may see fit, without prejudice to the liability of the undersigned or the Bank's right to hold and realize this security.
9. The Bank shall not be liable or accountable for any failure to collect, realize or obtain payment of the Collateral or any part thereof and the Bank shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Bank, the undersigned or any other person, firm or corporation in respect of the same, and the Bank shall not be responsible for any loss or damage which may occur in consequence of the negligence of any officer, agent or solicitor employed in the collection or realization thereof.
10. The Bank may charge on its own behalf and also pay to others reasonable sums for expenses incurred and for services rendered (expressly including legal advices and services) in or in connection with collecting, realizing and/or obtaining payment of the Collateral or any part thereof and may add the amount of such sums to the indebtedness of the undersigned.
11. So long as this assignment remains in effect, the undersigned covenants and agrees to deliver to the Bank from time to time promptly upon request any Documents of Title (and remaining debt instruments), Instruments, Securities and Chattel Papers constituting, representing or relating to the Collateral; all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same; all financial statements prepared by or for the undersigned regarding the undersigned's business; all policies and certificates of insurance relating to the Collateral, and such information concerning the Collateral, the undersigned, the undersigned's business and affairs as the Bank may reasonably request.

10530-002 (06-97) (All Provinces except Quebec)

12. The undersigned shall from time to time forthwith on the Bank's request do, make and execute all such financing statements, further assignments, documents, acts, matters and things as may be required by the Bank of or with respect to the Collateral or any part thereof or as may be required to give effect to these presents, and the undersigned hereby constitutes and appoints the Manager or Acting Manager for the time being of the above mentioned branch of the Bank the true and lawful attorney of the undersigned irrevocable with full power of substitution to do, make and execute all such statements, assignments, documents, acts, matters or things with the right to use the name of the undersigned whenever and wherever it may be deemed necessary or expedient.
13. This agreement shall be a continuing agreement in every respect, and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. No remedy for the enforcement of the rights of the Bank hereunder shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The security interest created or provided for by this agreement is intended to attach when this agreement is signed by the undersigned and delivered to the Bank. The undersigned acknowledges and confirms that there has been no agreement between the Bank and the undersigned to postpone the time for attachment of the security interest hereby attached.
14. Nothing in this assignment contained shall or shall be deemed to restrict the rights and remedies at law or in equity or under any applicable personal property security legislation or otherwise, of the Bank against the undersigned and the Collateral, it being hereby agreed by the undersigned that the Bank has and shall have all such rights and remedies as if the same were herein at length set forth and by this reference the same are incorporated in and form a part hereof.
15. Should the undersigned be entitled to a release or discharge or amendment to any financing statement registered by the Bank relating to this assignment, then the undersigned will pay to the Bank all costs, charges, expenses and lawyer's fees and disbursements (as between a solicitor and his own client on a full indemnity basis) incurred by the Bank in connection with such release, discharge or amendment.
16. For greater certainty it is declared that any and all future loans, advances or other value which the Bank may in its discretion make or extend to or for the account of the undersigned shall be secured by this agreement. If more than one person executes this agreement their obligations hereunder shall be joint and several.
17. This assignment shall be governed by and construed in accordance with the law of the jurisdiction where it has been executed by the undersigned, as the same may from time to time be in effect, including, where applicable, the Personal Property Security Act.
18. The undersigned hereby acknowledges receiving a copy of this assignment and waives all rights to receive from the Bank a copy of any financing statement, financing change statement or verification statement filed or issued at any time in respect of this assignment.
19. **NAME, ETC. OF DEBTOR**  
The full, true and correct legal name and address of Debtor and, where applicable, birth date and sex of Debtor is hereby declared by Debtor to be as follows:

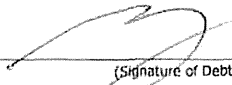
**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE Year	Day	Month	SEX M/F
ADDRESS OF INDIVIDUAL DEBTOR	CITY	PROVINCE	POSTAL CODE			
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE Year	Day	Month	SEX M/F
ADDRESS OF INDIVIDUAL DEBTOR	CITY	PROVINCE	POSTAL CODE			

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>Premium Comfort Heating &amp; Air Conditioning Ltd.</b>						
ADDRESS OF BUSINESS DEBTOR <b>104-470 Neave Cr.</b>	CITY <b>Kelowna</b>	PROVINCE <b>British Columbia</b>	POSTAL CODE <b>V 1 V 2 M 2</b>			
NAME OF BUSINESS						
ADDRESS OF BUSINESS DEBTOR	CITY	PROVINCE	POSTAL CODE			

IN WITNESS WHEREOF, the undersigned Debtor has executed this Assignment this 29 day of January, 2020.

  
\_\_\_\_\_  
(Signature of Debtor(s) if Individual)

**PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.**  
\_\_\_\_\_  
(Name of Debtor if Corporation or Partnership)

BY: Sean Douglas Van Steinburg

TITLE President

\_\_\_\_\_  
(If corporation have signed by authorized officer(s)  
If Owner or Partner state which)



**AFFIDAVIT OF BONA FIDES**

(To be Completed when assignment to be registered in Atlantic Provinces)

Province of CANADA } I, \_\_\_\_\_  
 County of \_\_\_\_\_ } of the \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ } in the Province of \_\_\_\_\_ an employee  
 \_\_\_\_\_ } at \_\_\_\_\_  
 \_\_\_\_\_ } of the National Bank of Canada the Assignee named in the Assignment of Book Debts  
 \_\_\_\_\_ } hereto annexed, make oath and say:

TO WIT:

1. That I am an employee of the NATIONAL BANK OF CANADA at \_\_\_\_\_  
 in the Province of \_\_\_\_\_.
2. That I am aware of the circumstances connected with the said Assignment of Book Debts and have a personal knowledge of the facts  
 herein deposed to.
3. That the said Assignment of Book Debts hereto annexed was executed in good faith and for valuable consideration, and not for the  
 mere purpose of protecting the book debts therein mentioned against the creditors of \_\_\_\_\_  
 \_\_\_\_\_, the Assignor, or for the purpose of preventing such creditors  
 from recovering any claims which they have against the said Assignor.

SWORN before me at the \_\_\_\_\_ }  
 of \_\_\_\_\_ in the Province }  
 of \_\_\_\_\_ this \_\_\_\_\_ }  
 day of \_\_\_\_\_ }  
 \_\_\_\_\_ }

A Commissioner, etc., or a Notary Public.

\_\_\_\_\_

(When assignment to be registered in New Brunswick, affidavit on next page to be completed in case of Incorporated Companies.)

**AFFIDAVIT OF EXECUTION BY INDIVIDUAL OR PARTNERSHIP**

(To be completed when assignment to be registered in Atlantic Provinces)

CANADA  
 Province of \_\_\_\_\_ of the \_\_\_\_\_ of \_\_\_\_\_  
 County of \_\_\_\_\_ in the Province of \_\_\_\_\_  
 TO WITT: \_\_\_\_\_ by occupation \_\_\_\_\_, make oath and say:

(if insert "one" or "two" or as the case requires)

1. That I was personally present and did see the Assignment of Book Debts hereto annexed duly signed, sealed and delivered by \_\_\_\_\_ of the parties thereto and that the name \_\_\_\_\_ set and subscribed as a witness to the execution thereof is of the proper handwriting of me this deponent and that the same was executed at the \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_.

2. That I know the said \_\_\_\_\_ and he is in my opinion of the full age of \_\_\_\_\_ years.

SWORN before me at the \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_  
 \_\_\_\_\_  
 A Commissioner, etc., or a Notary Public.

**AFFIDAVIT BY OFFICER OF INCORPORATED COMPANY**

(To be completed when assignment to be registered in New Brunswick)

CANADA  
 Province of \_\_\_\_\_ of the \_\_\_\_\_ of \_\_\_\_\_  
 County of \_\_\_\_\_ in the Province of \_\_\_\_\_  
 TO WITT: \_\_\_\_\_ by occupation \_\_\_\_\_, make oath and say:

1. That the paper-writing hereunto annexed is the Assignment of Book Accounts and of every schedule or inventory thereto annexed, or therein referred to, and of every attestation of the execution thereof, as made, given and executed by the \_\_\_\_\_ hereinafter referred to as the Assignor.  
 \_\_\_\_\_  
 (Name of incorporated company)

2. That the Assignment of Book Accounts was made and given by the said Assignor on the \_\_\_\_\_ day of \_\_\_\_\_.

3. That I \_\_\_\_\_ as \_\_\_\_\_  
 (Full name) (Name of office)

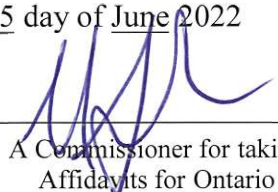
of the said Assignor being duly authorized so to do did affix the seal of the said Assignor to the said Assignment of Book Accounts, did sign the said Assignment of Book Accounts as \_\_\_\_\_ of the said Assignor and did duly deliver the said Assignment of Book Accounts as the act and deed of the said Assignor on \_\_\_\_\_ the day of \_\_\_\_\_  
 (Name of office)

4. That the head office or chief place of business of the said Assignor in New Brunswick is the situated at \_\_\_\_\_  
 \_\_\_\_\_  
 (Number, street and name of place)  
 \_\_\_\_\_ in the said Province.

SUBSCRIBED to and sworn before me at the \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_  
 \_\_\_\_\_  
 A Commissioner, etc., or a Notary Public.

# Tab D

This is Exhibit "D" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto  
this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Business Debtor - "Premium Comfort Heating and Air Conditioning Ltd."

**Search Date and Time:** March 31, 2022 at 3:54:20 pm Pacific time

**Account Name:** FASKEN MARTINEAU DUMOULIN LLP

**Folio Number:** 248426.01483

### TABLE OF CONTENTS

9 Matches in 9 Registrations

Exact Matches: 1 (\*)

Total Search Report Pages: 29

	Base Registration	Base Registration Date	Debtor Name	Page
1	<a href="#">874627K</a>	July 5, 2018	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.	<a href="#">2</a>
2	<a href="#">662391L</a>	July 26, 2019	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.	<a href="#">4</a>
3	<a href="#">749616L</a>	September 6, 2019	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.	<a href="#">6</a>
4	<a href="#">025377M</a>	January 27, 2020	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD	<a href="#">8</a>
5	<a href="#">025447M</a>	January 27, 2020	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD	<a href="#">15</a>
6	<a href="#">207240M</a>	May 8, 2020	PREMIUM COMFORT HEATING & AIR CONDITION	<a href="#">22</a>
7	<a href="#">369190M</a>	July 29, 2020	<b>* PREMIUM COMFORT HEATING AND AIR CONDITIONING LTD</b>	<a href="#">24</a>
8	<a href="#">373402M</a>	July 30, 2020	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.	<a href="#">26</a>
9	<a href="#">849197M</a>	March 23, 2021	PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.	<a href="#">28</a>



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Base Registration Number: 874627K

**Registration Type:** PPSA SECURITY AGREEMENT  
**Base Registration Date and Time:** July 5, 2018 at 1:45:34 pm Pacific time  
**Current Expiry Date and Time:** July 5, 2024 at 11:59:59 pm Pacific time  
 Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

## CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

### Secured Party Information

**FORD CREDIT CANADA  
COMPANY**

**Address**

PO BOX 2400  
EDMONTON AB  
T5J5C7 Canada

### Debtor Information

**PREMIUM COMFORT HEATING  
& AIR CONDITIONING LTD.**

**Address**

104-470 NEAVE CRT  
KELOWNA BC  
V1V2M2 Canada

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2018	FORD / TRANSIT	1FTYE1ZM9JKA00326

### General Collateral

None.



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

---

### Original Registering Party

**D + H LIMITED PARTNERSHIP**

**Address**

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4J1H8 Canada





# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Base Registration Number: 662391L

**Registration Type:** PPSA SECURITY AGREEMENT  
**Base Registration Date and Time:** July 26, 2019 at 12:53:42 pm Pacific time  
**Current Expiry Date and Time:** July 26, 2023 at 11:59:59 pm Pacific time  
 Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

## CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

### Secured Party Information

**VANTAGEONE LEASING INC.**      **Address**  
 3111 32 AVENUE  
 VERNON BC  
 V1T2M2 Canada

### Debtor Information

**PREMIUM COMFORT HEATING & AIR CONDITIONING LTD.**      **Address**  
 104 470 NEAVE COURT  
 KELOWNA BC  
 V1V2M2 Canada

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2019	RAIDERHANSEN POWER DRIVE / -	ED701110918





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### General Collateral

#### Base Registration General Collateral:

ONE RAIDERHANSEN POWER DRIVE 300 AND BROCKWHITE DD160 VACUUM BASE CORE RIG TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE ,PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL IN ACCORDANCE WITH LEASE NUMBER 102246.

---

### Original Registering Party

**VANTAGEONE CREDIT UNION**

**Address**

3108 33RD AVENUE  
VERNON BC  
V1T2N7 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Base Registration Number: 749616L

**Registration Type:** PPSA SECURITY AGREEMENT  
**Base Registration Date and Time:** September 6, 2019 at 10:51:57 am Pacific time  
**Current Expiry Date and Time:** September 6, 2023 at 11:59:59 pm Pacific time  
 Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

**FORD CREDIT CANADA  
 LEASING, DIVISION OF  
 CANADIAN ROAD LEASING  
 COMPANY**

**Address**

PO BOX 2400  
 EDMONTON AB  
 T5J5C7 Canada

#### Debtor Information

**PREMIUM COMFORT HEATING  
 & AIR CONDITIONING LTD.**

**Address**

104-470 NEAVE CRT  
 KELOWNA BC  
 V1V2M2 Canada

#### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2019	FORD / TRANSIT	1FTYE1ZM2KKA03585

#### General Collateral

None.



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

---

### Original Registering Party

**D + H LIMITED PARTNERSHIP**

#### Address

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4Z1H8 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Base Registration Number: 025377M

<b>Registration Type:</b>	PPSA SECURITY AGREEMENT
<b>Base Registration Date and Time:</b>	January 27, 2020 at 12:17:19 pm Pacific time
<b>Current Expiry Date and Time:</b>	January 27, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

**NATIONAL BANK OF CANADA**

**Address**

9 SIR WINSTON CHURCHILL SQ.  
EDMONTON AB  
T5J5B5 Canada

#### Debtor Information

**PREMIUM COMFORT HEATING  
& AIR CONDITIONING LTD**

**Address**

104-470 NEAVE CRT.  
KELOWNA BC  
V1V2M2 Canada





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2014	FORD / F150	1FTMF1CM1EKE73261
Motor Vehicle (MV)	2010	F150 PU / -	1FTMF1CW7AKE01878
Motor Vehicle (MV)	2010	FORD / F150	1FTFW1EV7AFD46726
Motor Vehicle (MV)	2009	FORD / RANGER	1FTYR10D49PA29619
Motor Vehicle (MV)	2013	FORD / E250 VAN	1FTNE2EW0DDA65820
Motor Vehicle (MV)	2019	FORD / TRANSIT 250	1FTYR2CM4KKA13280
Motor Vehicle (MV)	2011	FORD / E350 VAN	1FDWE3FLXBDA22903
Motor Vehicle (MV)	2007	FORD / E150 VAN	1FTNE14W77DB40206
Motor Vehicle (MV)	2014	F350 CREW CAB / -	1FT8W3BT7EEA75640
Motor Vehicle (MV)	2018	FORD / F350 CREW CAB	1FT8W3BT5JEC02007
Motor Vehicle (MV)	2011	FORD / TRANSIT	NM0LS7BN9BT066232
Motor Vehicle (MV)	2012	FORD / TRANSIT	NM0LS7BN7CT113243



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### General Collateral

January 31, 2020 at 2:02:59 pm Pacific time

ADDED

DEBTOR TRANSFER/DEBTOR NAME CHANGE RESULTING FROM CERTIFICATE OF AMALGAMATION NUMBER BC1239018.

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#### Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND ALL PROCEEDS THEREOF. PROCEEDS: ALL GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES OR MONEY NOW OR HEREAFTER FORMING PROCEEDS OF THE FOREGOING COLLATERAL. TERMS USED IN THIS GENERAL COLLATERAL ,DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THE ACT, UNLESS THE CONTEXT OTHERWISE INDICATES.

---

### Original Registering Party

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## HISTORY

(Showing most recent first)

### PARTIAL DISCHARGE

**Registration Date and Time:** February 10, 2021 at 1:32:44 pm Pacific time  
**Registration Number:** 763448M

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2014	FORD / F150	1FTFW1ET7EKF65956

Other vehicle or general collateral/proceeds description exists on this registration. To obtain complete details, it will be necessary to request a registration number search.

### Registering Party Information

**D & H LIMITED PARTNERSHIP**      **Address**  
 4126 NORLAND AVENUE, SUITE  
 201  
 BURNABY BC  
 V5G3S8 Canada

### PARTIAL DISCHARGE

**Registration Date and Time:** December 8, 2020 at 8:38:44 am Pacific time  
**Registration Number:** 641934M



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2012	FORD / TRANSIT	NM0LS7DN0CT098467
Motor Vehicle (MV) DELETED	2012	FORD / E450 CUTAWAY VAN	1FDXE4FS2CDA56689

Other vehicle or general collateral/proceeds description exists on this registration. To obtain complete details, it will be necessary to request a registration number search.

### Registering Party Information

**D & H LIMITED PARTNERSHIP**

**Address**

4126 NORLAND AVENUE, SUITE  
201  
BURNABY BC  
V5G3S8 Canada

### COLLATERAL ADDITION

**Registration Date and Time:** December 8, 2020 at 8:37:34 am Pacific time  
**Registration Number:** 641931M

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) ADDED	2011	FORD / TRANSIT	NM0LS7BN9BT066232
Motor Vehicle (MV) ADDED	2012	FORD / TRANSIT	NM0LS7BN7CT113243

Other vehicle or general collateral/proceeds description exists on this registration. To obtain complete details, it will be necessary to request a registration number search.





# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Registering Party Information

<b>D &amp; H LIMITED PARTNERSHIP</b>	<b>Address</b> 4126 NORLAND AVENUE, SUITE 201 BURNABY BC V5G3S8 Canada
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## AMENDMENT

<b>Registration Date and Time:</b>	January 31, 2020 at 2:02:59 pm Pacific time
<b>Registration Number:</b>	036641M
<b>Description:</b>	CHANGE OF ADDRESS OF THE BASE DEBTOR. ADDING ADDITIONAL GENERAL COLLATERAL.

## General Collateral

January 31, 2020 at 2:02:59 pm Pacific time

ADDED

DEBTOR TRANSFER/DEBTOR NAME CHANGE RESULTING FROM CERTIFICATE OF AMALGAMATION NUMBER BC1239018.

## Debtor Information

<b>PREMIUM COMFORT HEATING &amp; AIR CONDITIONING LTD</b> (Formerly PREMIUM COMFORT HEATING & AIR CONDITIONING LTD)	<b>Address</b> 104-470 NEAVE CRT. KELOWNA BC V1V2M2 Canada
--	---

ADDED

<b>PREMIUM COMFORT HEATING &amp; AIR CONDITIONING LTD</b>	<b>Address</b> 104-470 NEAVE CRT. KELOWNA BC V1V2M2 Canada
---	---

DELETED



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Registering Party Information

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada

### AMENDMENT

**Registration Date and Time:** January 28, 2020 at 11:44:21 am Pacific time  
**Registration Number:** 027990M  
**Description:** DELETION OF VEHICLE COLLATERAL

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2016	FORD / CUTAWAY VAN(FP LOGO)	1FDWE4FL7GDC28998
Motor Vehicle (MV) DELETED	2018	FORD / TRANSIT 150 VAN	1FTYE1ZM9JKA00326
Motor Vehicle (MV) DELETED	2019	FORD / TRANSIT 150 VAN	1FTYE1ZM2KKA03585
Motor Vehicle (MV) DELETED	2016	FORD / TRANSIT250	1FTYR2CM0GKB13478
Motor Vehicle (MV) DELETED	2016	FORD / TRANSIT250	1FTYR2CM2GKA77826

### Registering Party Information

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

**Base Registration Number: 025447M**

<b>Registration Type:</b>	PPSA SECURITY AGREEMENT
<b>Base Registration Date and Time:</b>	January 27, 2020 at 12:53:08 pm Pacific time
<b>Current Expiry Date and Time:</b>	January 27, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

**NATIONAL BANK OF CANADA**

**Address**

9 SIR WINSTON CHURCHILL SQ.  
EDMONTON AB  
T5J5B5 Canada

#### Debtor Information

**1236288 BC LTD**

**Address**

104-470 NEAVE CRT.  
KELOWNA BC  
V1V2M2 Canada

**PREMIUM COMFORT HEATING  
& AIR CONDITIONING LTD**

**Address**

104-470 NEAVE CRT.  
KELOWNA BC  
V1V2M2 Canada





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2014	FORD / F150	1FTMF1CM1EKE73261
Motor Vehicle (MV)	2010	F150 PU / -	1FTMF1CW7AKE01878
Motor Vehicle (MV)	2010	FORD / F150	1FTFW1EV7AFD46726
Motor Vehicle (MV)	2012	FORD / TRANSIT	NM0LS7DN0CT098467
Motor Vehicle (MV)	2009	FORD / RANGER	1FTYR10D49PA29619
Motor Vehicle (MV)	2013	FORD / E250 VAN	1FTNE2EW0DDA65820
Motor Vehicle (MV)	2019	FORD / TRANSIT 250	1FTYR2CM4KKA13280
Motor Vehicle (MV)	2011	FORD / E350 VAN	1FDWE3FLXBDA22903
Motor Vehicle (MV)	2007	FORD / E150 VAN	1FTNE14W77DB40206
Motor Vehicle (MV)	2014	F350 CREW CAB / -	1FT8W3BT7EEA75640
Motor Vehicle (MV)	2018	FORD / F350 CREW CAB	1FT8W3BT5JEC02007



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### General Collateral

January 31, 2020 at 2:06:46 pm Pacific time

ADDED

DEBTOR TRANSFER/DEBTOR NAME CHANGE RESULTING FROM CERTIFICATE OF AMALGAMATION NUMBER BC1239018.

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#### Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND ALL PROCEEDS THEREOF. PROCEEDS: ALL GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES OR MONEY NOW OR HEREAFTER FORMING PROCEEDS OF THE FOREGOING COLLATERAL. TERMS USED IN THIS GENERAL COLLATERAL ,DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THE ACT, UNLESS THE CONTEXT OTHERWISE INDICATES.

---

### Original Registering Party

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### HISTORY

(Showing most recent first)

#### PARTIAL DISCHARGE

**Registration Date and Time:** March 10, 2021 at 10:48:13 am Pacific time  
**Registration Number:** 820816M

#### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2012	FORD / E450 CUTAWAY VAN	1FDXE4FS2CDA56689

Other vehicle or general collateral/proceeds description exists on this registration. To obtain complete details, it will be necessary to request a registration number search.

#### Registering Party Information

**D & H LIMITED PARTNERSHIP**      **Address**  
 4126 NORLAND AVENUE, SUITE  
 201  
 BURNABY BC  
 V5G3S8 Canada

#### PARTIAL DISCHARGE

**Registration Date and Time:** February 19, 2021 at 9:14:42 am Pacific time  
**Registration Number:** 779773M



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2014	FORD / F150	1FTFW1ET7EKF65956

Other vehicle or general collateral/proceeds description exists on this registration. To obtain complete details, it will be necessary to request a registration number search.

### Registering Party Information

**D & H LIMITED PARTNERSHIP**      **Address**  
 4126 NORLAND AVENUE, SUITE  
 201  
 BURNABY BC  
 V5G3S8 Canada

### AMENDMENT

**Registration Date and Time:** January 31, 2020 at 2:06:46 pm Pacific time  
**Registration Number:** 036654M  
**Description:** CHANGE OF ADDRESS OF THE BASE DEBTOR. ADDING ADDITIONAL DEBTOR. ADDING ADDITIONAL GENERAL COLLATERAL.

### General Collateral

January 31, 2020 at 2:06:46 pm Pacific time

ADDED

DEBTOR TRANSFER/DEBTOR NAME CHANGE RESULTING FROM CERTIFICATE OF AMALGAMATION NUMBER BC1239018.





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Debtor Information

**1236288 BC LTD**

ADDED

**Address**

104-470 NEAVE CRT.  
KELOWNA BC  
V1V2M2 Canada

**PREMIUM COMFORT HEATING  
& AIR CONDITIONING LTD**

ADDED

**Address**

104-470 NEAVE CRT.  
KELOWNA BC  
V1V2M2 Canada

**1236288 B.C. LTD**

DELETED

**Address**

10271 BRYSON DRIVE  
RICHMOND BC  
V6X3S7 Canada

### Registering Party Information

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada

### AMENDMENT

**Registration Date and Time:**

January 28, 2020 at 11:50:28 am Pacific time

**Registration Number:**

028068M

**Description:**

DELETION OF VEHICLE COLLATERAL





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV) DELETED	2016	FORD / CUTAWAY VAN	1FDWE4FL7GDC28998
Motor Vehicle (MV) DELETED	2018	FORD / TRANSIT 150 VAN	1FTYE1ZM9JKA00326
Motor Vehicle (MV) DELETED	2019	FORD / TRANSIT 150 VAN	1FTYE1ZM2KKA03585
Motor Vehicle (MV) DELETED	2016	FORD / TRANSIT250	1FTYR2CM0GKB13478
Motor Vehicle (MV) DELETED	2016	FORD / TRANSIT250	1FTYR2CM2GKA77826

### Registering Party Information

**MLT AIKINS LLP**

**Address**

2600 - 1066 WEST HASTINGS ST  
VANCOUVER BC  
V6E3X1 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Base Registration Number: 207240M

<b>Registration Type:</b>	PPSA SECURITY AGREEMENT
<b>Base Registration Date and Time:</b>	May 8, 2020 at 1:01:11 pm Pacific time
<b>Current Expiry Date and Time:</b>	May 8, 2023 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

**THE BANK OF NOVA SCOTIA**

#### Address

10 WRIGHT BOULEVARD  
STRATFORD ON  
N5A7X9 Canada

#### Debtor Information

**PREMIUM COMFORT HEATING  
& AIR CONDITION**

#### Address

104-470 NEAVE CRT  
KELOWNA BC  
V1V2M2 Canada

#### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2016	FORD / TRANSIT 250	1FTYR2CM2GKA77826



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### General Collateral

#### Base Registration General Collateral:

OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE AND THE PROCEEDS OF THOSE VEHICLES

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### Original Registering Party

**TERANET COLLATERAL  
MANAGEMENT SOLUTIONS  
CORPORATION (BNS)**

#### Address

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4Z1H8 Canada





# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

## Base Registration Number: 369190M

<b>Registration Type:</b>	PPSA SECURITY AGREEMENT
<b>Base Registration Date and Time:</b>	July 29, 2020 at 7:04:15 am Pacific time
<b>Current Expiry Date and Time:</b>	July 29, 2022 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

## CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

### Secured Party Information

**GM FINANCIAL CANADA  
LEASING LTD.**

**Address**

2001 SHEPPARD AVE. STE 600  
TORONTO ON  
M2J4Z8 Canada

### Debtor Information

**PREMIUM COMFORT HEATING  
AND AIR CONDITIONING LTD**

**Address**

104-470 NEAVE COURT  
KELOWNA BC  
V1V2M2 Canada

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2020	GMC / TRUCKS SIERRA 1500 4W	1GTP9AEK6LZ252601

### General Collateral

None.



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### Original Registering Party

**D + H LIMITED PARTNERSHIP**

#### Address

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4Z1H8 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Base Registration Number: 373402M

**Registration Type:** PPSA SECURITY AGREEMENT  
**Base Registration Date and Time:** July 30, 2020 at 1:23:05 pm Pacific time  
**Current Expiry Date and Time:** July 30, 2022 at 11:59:59 pm Pacific time  
 Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

**GM FINANCIAL CANADA  
LEASING LTD.**

**Address**

2001 SHEPPARD AVE. STE 600  
TORONTO ON  
M2J4Z8 Canada

#### Debtor Information

**PREMIUM COMFORT HEATING  
& AIR CONDITIONING LTD.**

**Address**

104-470 NEAVE COURT  
KELOWNA BC  
V1V2M2 Canada

#### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2020	GMC / TRUCKS SIERRA 1500 4W	1GTP9AEK3LZ252782

#### General Collateral

None.



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### Original Registering Party

**D + H LIMITED PARTNERSHIP**

**Address**

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4Z1H8 Canada





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Base Registration Number: 849197M

<b>Registration Type:</b>	PPSA SECURITY AGREEMENT
<b>Base Registration Date and Time:</b>	March 23, 2021 at 11:05:11 am Pacific time
<b>Current Expiry Date and Time:</b>	March 23, 2023 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

### CURRENT REGISTRATION INFORMATION

(as of March 31, 2022 at 3:54:20 pm Pacific time)

#### Secured Party Information

<b>TOYOTA CREDIT CANADA INC.</b>	<b>Address</b>
	80 MICRO COURT MARKHAM ON L3R9Z5 Canada

#### Debtor Information

<b>PREMIUM COMFORT HEATING &amp; AIR CONDITIONING LTD.</b>	<b>Address</b>
	104 470 NEAVE COURT KELOWNA BC V1V2M2 Canada

<b>GASPARETTO, DAMIAN GERARD</b>	<b>Address</b>	<b>Birthdate</b>
	104-470 NEAVE COURT KELOWNA, BC BC V1V2M2 Canada	July 27, 1978

<b>GASPARETTO, DAMIAN ELIA</b>	<b>Address</b>	<b>Birthdate</b>
	104-470 NEAVE COURT KELOWNA, BC BC V1V2M2 Canada	July 27, 1978





## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2020	TOYOTA / SIENNA	5TDZZ3DC8LS075503

### General Collateral

None.

### Original Registering Party

**D + H LIMITED PARTNERSHIP**

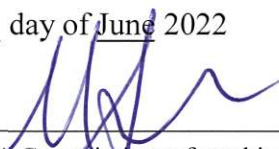
**Address**

2 ROBERT SPECK PARKWAY, 15TH  
F  
MISSISSAUGA ON  
L4Z1H8 Canada

# Tab E

This is Exhibit "E" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto

this 15 day of June 2022



---

A Commissioner for taking  
Affidavits for Ontario

# FASKEN

Fasken Martineau DuMoulin LLP  
Barristers and Solicitors  
Patent and Trade-mark Agents

550 Burrard Street, Suite 2900  
Vancouver, British Columbia V6C 0A3  
Canada

T +1 604 631 3131  
+1 866 635 3131  
F +1 604 631 3232  
  
fasken.com

June 10, 2022  
File No.: 248426.01483/15053

**Kibben Jackson**  
Direct +1 604 631 4786  
Facsimile +1 604 632 4786  
kjackson@fasken.com

**By Courier and Email ([damian@premiumcomfort.ca](mailto:damian@premiumcomfort.ca);  
[diane@premiumcomfort.ca](mailto:diane@premiumcomfort.ca))**

Premium Comfort Heating &  
Air Conditioning Ltd.  
104 – 479 Neave Court  
Kelowna, BC V1V 2M2

Premium Comfort Heating &  
Air Conditioning Ltd.  
Registered and Records Office  
208 – 1664 Richter Street  
Kelowna, BC V1Y 8N3

**Attention: Damian Gasparetto  
Diane Secord**

Dear Sirs/Mesdames:

**Re: *Indebtedness to National Bank of Canada (the "Bank")***

We are the solicitors for the Bank.

We are instructed that as at June 10, 2022 you are indebted to the Bank in the amount of \$2,143,297.99, not including accrued interest on the overdraft account.

The above also does not include the Bank's legal costs and the Bank reserves the right to claim those from you. The per diem rates of interest are subject to fluctuations in the Bank's prime rate of interest, the amounts outstanding under the loan facilities from time to time and the interest compounding provisions of the applicable loan agreements.

On the instructions of the Bank, we hereby make formal demand for payment of the above indebtedness, being the sum of \$2,143,297.99 plus interest, including interest thereon from and including June 10, 2022 to and including the date payment is received in our offices, by certified cheque or bank draft (the "**Indebtedness**"). Unless the Indebtedness is received in our offices on or before the close of business on June 13, 2022, we are instructed to commence legal proceedings against you to enforce recovery of the amounts outstanding without further notice to you.

The above balance is based on the records available to the Bank at this date. If the true balances are different from the amounts demanded, the Bank reserves all rights to any additional monies which you may owe to the Bank.

We also enclose with this letter a Form 86 Notice of Intention to Enforce Security pursuant to the provisions of Section 244(1) of the *Bankruptcy and Insolvency*

## FASKEN

*Act* confirming the Bank's intention to enforce its security on the expiration of ten days following the date of this letter unless you consent to an earlier enforcement. If you wish to provide such consent, please endorse the enclosed Form 86 and return a copy of same to the writer.

The Bank specifically reserves its right to make application to the Court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment in full of the Indebtedness.

Sincerely,

**FASKEN MARTINEAU DuMOULIN LLP**



Kibben Jackson  
Personal Law Corporation

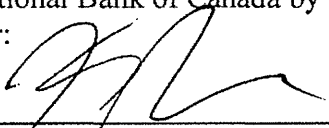
KJ/sv  
Enclosure

cc: client

**NOTICE OF INTENTION TO ENFORCE A SECURITY**FORM 86  
(Rule 124)TO: **Premium Comfort Heating & Air Conditioning Ltd.**, an insolvent person

TAKE NOTICE THAT:

1. National Bank of Canada, a secured creditor, intends to enforce its security on the insolvent person's property described below:
  - (a) all present and after acquired personal property of the insolvent person.
2. The security that is to be enforced is the following:
  - (a) General Security Agreement dated January 26, 2020;
  - (b) General Security Agreement dated January 29, 2020;
  - (c) General Assignment of Book Debts dated January 26, 2020; and
  - (d) General Assignment of Book Debts dated January 29, 2020.
3. The total amount of indebtedness secured by the security as at June 10, 2022 is the sum of \$2,143,297.99 plus interest accruing thereafter, subject to fluctuations in the secured creditor's Prime Rate. Legal costs are also accruing in relation to the indebtedness.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia, this 10<sup>th</sup> day of June, 2022.National Bank of Canada by its legal counsel  
Per:



---

 Kibben Jackson  
Solicitor and agent of the Secured Creditor

Premium Comfort Heating & Air Conditioning Ltd. hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce Security and consents to the immediate enforcement by National Bank of Canada of all security above-noted.

---


 Authorized Signatory

# Tab F



This is Exhibit "F" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto

this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario

**NOTICE OF INTENTION TO ENFORCE A SECURITY**


FORM 86

(Rule 124)

TO: **Premium Comfort Heating & Air Conditioning Ltd.**, an insolvent person

TAKE NOTICE THAT:

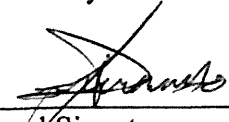
1. National Bank of Canada, a secured creditor, intends to enforce its security on the insolvent person's property described below:
  - (a) all present and after acquired personal property of the insolvent person.
2. The security that is to be enforced is the following:
  - (a) General Security Agreement dated January 26, 2020;
  - (b) General Security Agreement dated January 29, 2020;
  - (c) General Assignment of Book Debts dated January 26, 2020; and
  - (d) General Assignment of Book Debts dated January 29, 2020.
3. The total amount of indebtedness secured by the security as at June 10, 2022 is the sum of \$2,143,297.99 plus interest accruing thereafter, subject to fluctuations in the secured creditor's Prime Rate. Legal costs are also accruing in relation to the indebtedness.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia, this 10<sup>th</sup> day of June, 2022.National Bank of Canada by its legal counsel  
Per:



---

 Kibben Jackson  
Solicitor and agent of the Secured Creditor

Premium Comfort Heating & Air Conditioning Ltd. hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce Security and consents to the immediate enforcement by National Bank of Canada of all security above-noted.

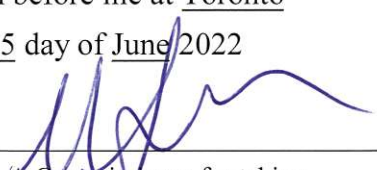



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 Authorized Signatory

# Tab G

This is Exhibit "G" referred to in  
the affidavit of Sonia de Lorenzi  
sworn before me at Toronto  
this 15 day of June 2022



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A Commissioner for taking  
Affidavits for Ontario

**From:** [Damian Gasparetto](#)  
**To:** [mikesundstrom@northcentralbailiffs.bc.ca](mailto:mikesundstrom@northcentralbailiffs.bc.ca)  
**Cc:** [diane@premiumcomfort.ca](mailto:diane@premiumcomfort.ca); [Suzanne Volkow](#); [Kibben Jackson](#); [Rebecca Barclay Nguinambaye](#)  
**Subject:** [EXT] Re: National Bank of Canada - Premium Comfort  
**Date:** June 11, 2022 6:25:44 AM

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Mike,

Ok and I'll call you when I arrive. There are also alarm codes for the building that we need to pass along. You'll also want to arrange the removal of the (4) storage containers from the property as their is product within each of them, and I'll give you the landlords contact info also when we meet. I will be accompanied by the manager for the business that was involved in winding down the business and accumulating/overseeing the return of all the assets. He'll show us around.

Damian

On Jun 11, 2022, at 1:08 AM, [mikesundstrom@northcentralbailiffs.bc.ca](mailto:mikesundstrom@northcentralbailiffs.bc.ca) wrote:

Hi Damian

At the time of this message we have already changed the locks and removed the majority of the company vehicles from the location to my secure storage compound.

I would be happy to meet with you at 11 or soon thereafter to ensure all aspects of securing the business premises and company assets have been properly addressed.

When you arrive in Kelowna please contact me on my cell.

Thank you

**Mike Sundstrom**

North Central Bailiffs Ltd.  
101A – 2900 East Boundary Rd.  
West Kelowna BC  
V4T 3K5  
250-491-1033 office  
250-575-4860 cell

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Action No.

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IN THE SUPREME COURT OF BRITISH  
COLUMBIA

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BETWEEN:

**NATIONAL BANK OF CANADA**

Petitioner

- and -

**PREMIUM COMFORT HEATING &  
AIR CONDITIONING et al.**

Respondents

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**ORDER MADE AFTER APPLICATION**

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**FASKEN MARTINEAU DuMOULIN LLP**

Barristers and Solicitors  
550 Burrard Street, Suite 2900  
Vancouver, BC, V6C 0A3  
+1 604 631 3131

Counsel: Kibben Jackson

Matter No: 248426.01483