

COURT FILE NUMBER 2101-00811 C21356

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFFS

CANTECH OILFIELD EQUIPMENT LTD.,
CELINA CAI XING LUO, HUI YANG XU,
CHRISTINE YIN HUI, FANG YANG, KING CHI
HUNG, CHUNG YIN SIU, BAO JING MA, SING
LIM YEO, YEE KEN YEO, HON HING CHOI
CHAN, JOY LING CHAN, QIN LU, DAOJING
FINANCIAL CONSULTING LTD., MAGGIE TING
HON, ROYAL GREENLAND COMMUNITY LTD.,
KA FAI PUI, NYUK JIN HUI, KAI WAH HUI, and
BENJAMIN JOSHUA HUI, SARA FAROUK EL-QUTUB,
MAHER FAREED SHAMLAWI, NECEIB MOUSSA, SALLY
FARHAT, GANESHA INVESTMENTS LTD., JENIFER
SHABAN ALI, JAFFAR ALI, ZAHIDA REHANA KHAN,
SAHEED MOHAMMAD TAKI, MOHAMED HASSAN
KHATTAB, 2027498 ALBERTA LTD. and HARILEELA
INVESTMENTS LTD.

DEFENDANTS

ROXDALE GARDENS LTD., ROHIT SETHI also known as
ROY SETHI, ROHIT SETHI by and through his trustee
MELANIE J. LEIGH, YUVRAJ VERMA, YUVRAJ VERMA by
and through his trustee MELANIE J. LEIGH, VIKAS KWATRA,
and VIKAS KWATRA by and through his trustee MELANIE J.
LEIGH

AND IN THE MATTER OF THE RECEIVERSHIP OF
ROXDALE GARDENS LTD.

APPLICANT

FTI CONSULTING CANADA INC., in its capacity as Court-
appointed Receiver and Manager of the assets, undertakings and
properties of ROXDALE GARDENS LTD.

RESPONDENT

CANCOM ROXDALE INC.

DOCUMENT

**AFFIDAVIT OF DEFAULT, VALUE & VALUATOR'S
REPORT**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1
Attention: Kyle Kashuba
Telephone: +1 403.776.3744
Fax: +1 403.776.3800
Email: kkashuba@torys.com
File Number: 39586-2006



COM
Feb 17 2022

Entered

AFFIDAVIT OF DUSTIN OLVER

Sworn on February 7, 2021

I, Dustin Olver, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am a Senior Managing Director with FTI Consulting Canada Inc., who has been appointed receiver-manager (the “**Receiver**”) over the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of Roxdale Gardens Ltd. (“**Roxdale Gardens**” or the “**Mortgagee**”) pursuant to sections 99(a) and 242 of the *Business Corporations Act*, RSA 2000, c B-9 and section 13(2) of the *Judicature Act*, RSA 2000, c J-2 and 30, and the order granted on June 24, 2021 (the “**Receivership Order**”) by the Honourable Madam Justice M.H. Hollins of the Court of Queen’s Bench of Alberta. Attached hereto and marked as **Exhibit “A”** to this my Affidavit is a copy of the said Receivership Order.
2. I have examined the records of Roxdale Gardens and can swear positively to the facts herein deposed except where otherwise stated and where otherwise stated I verily believe same to be true.
3. By a Mortgage made in pursuance of the *Land Titles Act*, and registered in the Land Titles Office for Alberta on April 8, 2020 as Instrument #202 157 563, a copy of which is attached hereto and marked as **Exhibit “B”** to this my Affidavit, **Cancom Roxdale Inc.**, (hereinafter sometimes individually called the “**Mortgagor**” and/or “**Defendant**”), mortgaged to Roxdale Gardens, the lands in question herein to secure payment of the sum of --- Ten Million Dollars ---- (\$10,000,000) (hereinafter referred to as the “**Principal Sum**”) with interest as in the said Mortgage provided.
4. Through its investigation of the Mortgagee’s banking records, the Receiver has been able to trace a minimum of \$6,899,800 that was advanced by the Mortgagee to the Mortgagor which has been accruing interest with no repayments since the initial advance. For certainty, there is a possibility that the Mortgagee may have advanced further amounts to the Mortgagor which may not have been accounted for given the deficiencies in documents and information unknown to the Receiver.
5. By the said Mortgage, the Mortgagor covenanted to pay interest to the Mortgagee on the said sum at the rate and on the days and times and in the manner mentioned in the said Mortgage.

6. By the said Mortgage, it is provided that on default of payment of the principal or interest or any monies thereby secured, the whole principal shall become payable.
7. By an Amending Agreement to the Mortgage dated December 17, 2020, between Roxdale Gardens and the Mortgagor, the Mortgagor agreed that in the event of a default under the Mortgage, it will take any and all actions to facilitate the transfer of title to the Project (the residential real estate development on two parcels of lands, being legally described as Plan 1821856, Block 1, Lots 3 and 4) to Roxdale Gardens prior to any of the other remedies available to Roxdale Gardens being effected thereunder. Attached hereto and marked as **Exhibit "C"** to this my Affidavit is a copy of the said Amending Agreement.
8. Paragraph 3 of the Receivership Order provides that:
 - (j) within sixty (60) days from the provision of the Report, counsel of record for the Plaintiffs in Action 2103-05948 is at liberty to apply to this Honourable Court for advice and directions in relation to this Order, or to bring an application to this Honourable Court to challenge the validity or enforceability of the Mortgage or Amending Agreement;
 - (k) if no application is brought within the time limit set out in paragraph 3(j) above, the Receiver is empowered to proceed to undertake any steps necessary to foreclose upon and enforce the Mortgage and the Amending Agreement. Any proceeds that arise from either the foreclosure of the Mortgage or the enforcement of the Amending Agreement are to be held in trust by the Receiver until further order of this Honourable Court;
9. I verily believe that the plaintiffs in Court File No 2103-05948 have not applied to this Honourable Court for advice and directions in relation to the Receivership Order to challenge the validity or enforceability of the Mortgage or Amending Agreement and that therefore, the Receiver is empowered to proceed to undertake any steps necessary to foreclose upon and enforce the Mortgage and the Amending Agreement.
10. Roxdale Gardens says that the default herein of the Defendant has not been due to causes beyond the Defendant's control and that having regard to the said Defendant's ability to pay and the value of Roxdale Gardens' security, the period of redemption in the judgment in this action should be shortened.
11. Roxdale Gardens is not now and never has been since the date of the said Mortgage, nor have any person or persons by its order to my knowledge or, belief for its use, been in profits received by Roxdale Gardens, if any, are included in the mortgage balance hereinafter set out.

12. The Receiver's investigation and findings indicate that there is a default under the Mortgage relating to the interest payment due on the First Interest Repayment Date (November 15, 2020) – this would trigger the acceleration clause in Section 11 of the Mortgage, requiring the re-payment of the monies secured following non-payment of interest or principal payment.
13. The Defendant has defaulted relative to payment of principal and in payment of interest pursuant to the terms of the Mortgage as set out below, which has been demanded by the Receiver pursuant to a demand notice provided to the Defendant, its directors and shareholders on or about November 3, 2020 (the “**Demand Notice**”) by the Receiver's legal counsel, Torys LLP, but the Defendant has refused and/or neglected to pay same. Attached hereto and marked as **Exhibit “D”** to this my Affidavit is a copy of the said Demand Notice.
14. In the Demand Notice, it was noted that due to deficient or incomplete documentation or information provided to the Receiver, the Receiver may not have all of the required documentation or information to confirm with certainty its findings. As such, the Receiver requested, should the Defendant disagree with the Receiver's findings, that the Defendant provide documentation to support its position forthwith and by no later than November 16, 2021. It was noted that if the Receiver does not hear from the Defendant by such time, the Receiver is likely to commence an action for foreclosure against the subject lands.
15. There is now justly and truly owing by the Defendant to Roxdale Gardens under and by virtue of the said Mortgage the following sum, at minimum:

	Amount Receiver confirmed as advanced	
Principal sum of Mortgage July 9, 2020	6,899,800	
Interest	15%	per annum calculated yearly
2020 Annual interest	1,034,970	
2020 Interest per day	2,835.53	
Opening Balance	6,899,800	
Interest accrued in 2020	496,218.49	175 days
Repayments	0	
Balance at Decmeber 31, 2020	7,396,018.49	
Interest Jan 1, 2021 to November 15, 2021	969,587.63	319 days
Repayments	0	
Balance as at November 15, 2021	8,365,606.12	
Per diem	3,039.46	

16. Attached hereto and marked as **Exhibit “E”** to this my Affidavit is a copy of the Tax Searches received from the Municipality of Leduc County indicating total taxes payable as at January 7, 2022 for PLAN 1821856, BLOCK 1, LOT 3 to be \$10,860.80 and for PLAN 1821856, BLOCK 1, LOT 4 to be \$62.86.
17. Attached hereto and marked as **Exhibit “F”** to this my Affidavit is a copy of the mortgage information statement indicating the balance owing.
18. Speaking positively for myself, in my belief, I verily believe that the Defendant has no defence to Roxdale Gardens’ claim.

Valuator’s Report

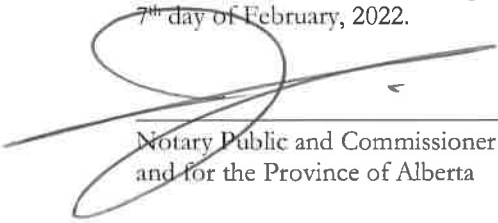
19. On or about August 27, 2021, Perry Gereluk, of Colliers International Realty Advisors Inc. (“**Colliers**”), made a personal inspection of two parcels of lands, being legally described as Plan 1821856, Block 1, Lots 3 and 4.

- 20. I verily believe that Mr. Gereluk has to the best of his knowledge and belief in the paper now produced, and marked **Exhibit "G"** to this my Affidavit, set forth full and true particulars of the state, conditions and value of the said lands, insofar as was permitted.
- 21. Pursuant to the Receiver's request for Colliers to provide a current Market Value on the above captioned properties, and by reason of a personal investigation and inspection of the property, Mr. Gereluk advised the Receiver that he was of the opinion that the estimate of market value of lots 3 and 4 as at August 27, 2021 is as set forth in the Appraisal Report attached as **Exhibit "G"**, which the Receiver is seeking to have sealed on the Court file, on certain terms. **Exhibit "G"** also contains additional confidential information (and a second appraisal report prepared by Frost & Associates and a third (more recent) appraisal report prepared by Gettel Appraisals) and documentation indicating that the property may have different valuation and as a result of same, the Receiver is of the view that it may be prudent to commence the marketing process with a list price of \$3,400,000.
- 22. I verily believe that Mr. Gereluk does not now and never had any interest in the said lands or otherwise under the said proceedings except as appraiser for the said property in connection with the inspection and value made by Mr. Gereluk.

General

- 23. I make this Affidavit in support of Roxdale Gardens' application for foreclosure relief or a redemption order.
- 24. I make this Affidavit for no other or improper purpose.

SWORN BEFORE ME at Calgary, Alberta, this)
 7th day of February, 2022.)

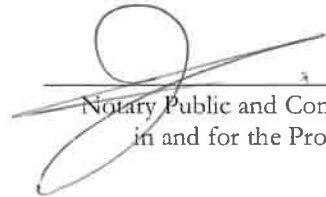

 _____)
 Notary Public and Commissioner for Oaths in)
 and for the Province of Alberta)

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



DUSTIN OLVER

This is **Exhibit "A"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



Do not write or staple in the above barcoded area

DRR #: C003XXM Version #: 2 Access Code: 26954

Document Registration Request

Box 7575 Calgary
Alberta T2P 2R4
Telephone (403) 297-6511

Box 2380 Edmonton
Alberta T5J 2T3
Telephone (780) 427-2742

Name: **FASKEN MARTINEAU DUMOULIN LLP**

Create Date: **2021-07-21**

Address: **3400, 350 - 7TH AVENUE SW
CALGARY, ALBERTA
T2P3N9**

Account or Party Code: **A127167**

Return By Call Box

Call Box Number: **C135**

Customer File Number:

325601.00001JCM-CC

Name of Requester:

CANDY CHENG

Last Registration Number:

Telephone Number:

403-261-5354

Email Address:

ccheng@fasken.com

Customer's Special Instructions:

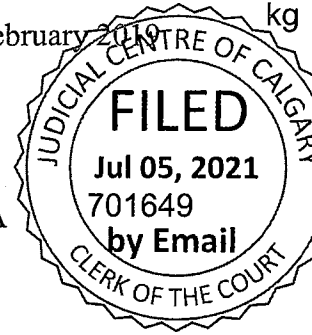
Please register the attached Receivership Order - Appointed Receiver: FTI Consulting Canada Inc.

Priority	Document Type	Land IDs	Comments	Other Services
1	ORDER - ENDORSEMENT	1821856;1;3 1821856;1;4		

This DRR will not appear in the Pending Registration Queue (PRQ) until Land Titles receives a printed copy of this DRR with the original documents or the RR is electronically submitted through Alberta Land Titles Online (ALTO). Please note that any errors or omissions may result in loss of priority in the PRQ.

This information is being collected for the purposes of land titles records in accordance with the Land Titles Act. Questions about the collection of this information can be directed to the Freedom of Information And Protection of Privacy Co-ordinator for Service Alberta, Box 3140, Edmonton, Alberta T5J 2G7, (780) 427-2742.

Refunds of overpayments will not be issued if less than \$5.00.



COURT FILE NUMBER 2101 00811
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFFS/APPLICANTS CANTECH OILFIELD EQUIPMENT LTD.,
CELINA CAI XING LUO, HUI YANG XU,
CHRISTINE YIN HUI, FANG YANG, KING CHI
HUNG, CHUNG YIN SIU, BAO JING MA, SING
LIM YEO, YEE KEN YEO, HON HING CHOI
CHAN, JOY LING CHAN, QIN LU, DAOJING
FINANCIAL CONSULTING LTD., MAGGIE TING
HON, ROYAL GREENLAND COMMUNITY LTD.,
KA FAI PUI, NYUK JIN HUI, KAI WAH HUI, and
BENJAMIN JOSHUA HUI

DEFENDANT/RESPONDENT ROXDALE GARDENS LTD.

DEFENDANTS ROHIT SETHI also known as ROY SETHI, ROHIT
SETHI by and through his trustee MELANIE J.
LEIGH, YUVRAJ VERMA, YUVRAJ VERMA by
and through his trustee MELANIE J. LEIGH, VIKAS
KWATRA, and VIKAS KWATRA by and through
his trustee MELANIE J. LEIGH

DOCUMENT

RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP

Barristers and Solicitors
3400 First Canadian Centre
350 – 7th Avenue SW
Calgary, Alberta T2P 3N9

Lawyer: Darren Reed/Jo Colledge-Miller
Phone Number: 403-261-6152/403-261-5356
Email: dreed@fasken.com/
jcolledgemiller@fasken.com
File Number: 325601.00001

DATE ON WHICH ORDER WAS PRONOUNCED: June 24, 2021

NAME OF JUDGE

WHO MADE THIS ORDER: The Honourable Justice M.H. Hollins

LOCATION OF HEARING: Calgary, Alberta (via WebEx)

UPON the application of the Plaintiffs in respect of Roxdale Gardens Ltd. (the “**Receivership Respondent**”); **AND UPON** having read the Statement of Claim, Application, the Affidavit of George Hu, the Affidavit of King Chi Hung and the Affidavits of Service, all filed in this Action; **AND UPON** having read the Order of Justice C.M. Jones granted in this Action on June 10, 2021, and the Orders of Justice M.J. Lema granted in Action No. 2103-05948 filed April 23 and May 13, 2021 reading the consent of FTI Consulting Canada Inc. to act as receiver-manager (the “**Receiver**”) of the Receivership Respondent, filed; **AND UPON** hearing counsel for the Plaintiffs and any other counsel or other interested parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

APPOINTMENT

2. Pursuant to sections 99(a) and 242 of the *Business Corporations Act*, RSA 2000, c. B-9 and section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2 and 30, **FTI Consulting Canada Inc.** is hereby appointed Receiver, without security, of all of the Receivership Respondent’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”).

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver’s ability to abandon, dispose of or otherwise release

any interest in any of the Receivership Respondents' real property, or any right in any immovable, in respect of such interest in real property or immovable,

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Receivership Respondent, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Receivership Respondent;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Receivership Respondent or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Receivership Respondent and to exercise all remedies of the Receivership Respondent in collecting such monies, including, without limitation, to enforce any security held by the Receivership Respondent;
- (g) to settle, extend or compromise any indebtedness owing to or by the Receivership Respondent;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Receivership Respondent, for any purpose pursuant to this Order;

- (i) with specific regard to the mortgage held by the Receivership Respondent dated July 9, 2020 and registered against title to the land legally described as Plan 1821856, Block 1, Lot 3, excepting thereout all mines and minerals area: 6.76 Hectares (16.7 Acres) more or less and Plan 1821856, Block 1, Lot 4, excepting thereout all mines and minerals area: 2.79 Hectares (6.89 Acres) more or less, owned by Cancom Roxdale Inc. (the “**Mortgage**”) and the December 17, 2020 Amending Agreement and Notice that amended the terms of the Mortgage (the “**Amending Agreement**”), the Receiver is to review the books and records of the Receivership Respondent related to the Mortgage and Amending Agreement and provide a report regarding same, including all records relating to the Mortgage and Amending Agreement to counsel of record for the Plaintiff in this Action and counsel of record for the Plaintiffs in Action 2103-05948 (“**Report**”);
- (j) within sixty (60) days from the provision of the Report, counsel of record for the Plaintiffs in Action 2103-05948 is at liberty to apply to this Honourable Court for advice and directions in relation to this Order, or to bring an application to this Honourable Court to challenge the validity or enforceability of the Mortgage or Amending Agreement;
- (k) if no application is brought within the time limit set out in paragraph 3(j) above, the Receiver is empowered to proceed to undertake any steps necessary to foreclose upon and enforce the Mortgage and the Amending Agreement. Any proceeds that arise from either the foreclosure of the Mortgage or the enforcement of the Amending Agreement are to be held in trust by the Receiver until further order of this Honourable Court;
- (l) to undertake environmental or workers' health and safety assessments of the Property and operations of the Receivership Respondent;
- (m) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Receivership Respondent, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to

such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;

- (n) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (o) subject to the other terms and conditions of this Order, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (p) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (q) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (r) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Receivership Respondent and not in its personal capacity;
- (s) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Receivership Respondent;
- (t) to enter into agreements with any trustee in bankruptcy appointed in respect of the Receivership Respondent, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Receivership Respondent;
- (u) to exercise any shareholder, partnership, joint venture or other rights which the Receivership Respondent may have; and
- (v) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Receivership Respondent, and without interference from any other Person (as defined below).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. (i) The Receivership Respondent, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons

acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Receivership Respondent, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance

in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE RECEIVERSHIP RESPONDENT OR THE PROPERTY

8. Except for the Actions in court file numbers 2103-05948, 2103-07821 and 2103-03136, no Proceeding against or in respect of the Receivership Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Receivership Respondent or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body’s investigation in respect of the Receivership Respondent or an action, suit or proceeding that is taken in respect of the Receivership Respondent by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Receivership Respondent or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
- (a) empower the Receivership Respondent to carry on any business that the Receivership Respondent is not lawfully entitled to carry on;
 - (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Receivership Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Applicant where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Receivership Respondent, except with the written consent of the Receivership Respondent and the Receiver, or leave of this Court.

CONTINUATION OF SERVICES

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or

(b) oral or written agreements or arrangements with the Receivership Respondent, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Receivership Respondent are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Receivership Respondent or exercising any other remedy provided under such agreements or arrangements. The Receivership Respondent shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Receivership Respondent in accordance with the payment practices of the Receivership Respondent, or such other practices as may be agreed upon by the supplier or service provider and each of the Receivership Respondent and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to employees’ rights to terminate their employment, all employees of the Receivership Respondent shall remain the employees of the Receivership Respondent until such time as the Receiver, on the Receivership Respondent's behalf, may terminate

the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) or under the *Wage Earner Protection Program Act*, SC 2005, c 47 (“**WEPPA**”).

15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Receivership Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

- 17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

- 18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$150,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.
- 19. The Receiver and its legal counsel shall pass their accounts from time to time.
- 20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.
22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver's Certificates**”) for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

ALLOCATION

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

27. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
29. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Receivership Respondent.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
31. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Receivership Respondent's estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

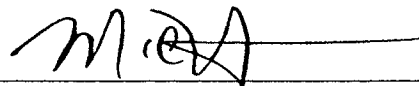
FILING

34. This Order is issued and shall be filed in Court of Queen's Bench Action No. 2101-00811.
35. The Receiver shall establish and maintain a website in respect of these proceedings at: <http://cfcanada.fticonsulting.com/> (the "**Receiver's Website**") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
36. The E-Service Guide of the Alberta Court of Queen's Bench Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide shall be valid and effective service. Subject to Rules 11.25 and 11.26, this Order shall constitute an order for substituted service pursuant to Rule 11.28 of the *Alberta Rules of Court*. Subject to paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. A Case Website shall be established in accordance with the Guide.
37. Service of this Order shall be deemed good and sufficient by:

- (a) serving the same on:
 - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
- and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

- 38. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.
- 39. To the extent it is necessary for the Receiver to carry out the terms of this Order, the Orders granted in Action No. 2103 05948 by Justice Lema of this Honourable Court on April 12, and May 21 2021 are lifted or otherwise varied to permit execution of this Order.



Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that **FTI Consulting Canada Inc.**, the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of **Roxdale Gardens Ltd.** appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "Court") dated the [day] day of [month], 2021 the "**Order**") made in action numbers [●], has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of [\$], being part of the total principal sum of [\$] that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the ● day of each month] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of Bank of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

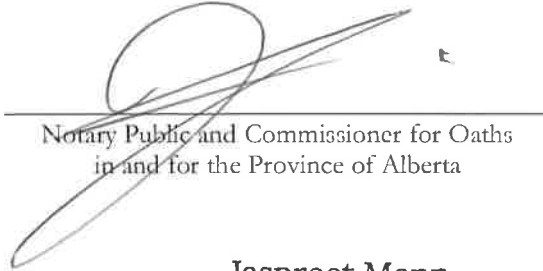
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2021.

FTI Consulting Canada Inc., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name:
Title:

This is **Exhibit "B"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

IMAGE OF DOCUMENT REGISTERED AS:

202157563

ORDER NUMBER: 42982875

ADVISORY

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**MORTGAGE
PURSUANT TO "THE LAND TITLES ACT"**

CANCOM ROXDALE INC. of 20, 3908-97 Street, Edmonton, Alberta, T6N 6N2 (herein called the "Mortgagor") being registered as owner of an estate in fee simple in possession, subject, however, to such encumbrances, liens and interests as are notified by memorandum and underwritten or endorsed hereon, in all and singular that certain piece or parcel of land situate in the Province of Alberta, Canada, described as:

PLAN 1821856
BLOCK 1
LOT 3
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 6.76 HECTARES (16.7 ACRES) MORE OR LESS

LEDUC COUNTY

and

PLAN 1821856
BLOCK 1
LOT 4
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 2.79 HECTARES (6.89 ACRES) MORE OR LESS

LEDUC COUNTY

together with the benefits and advantages of all easements, franchises and privileges now or hereafter appurtenant or appertaining thereto (hereinafter sometimes called the "said lands" or the "mortgaged premises") in consideration of the sum of **TEN MILLION(\$10,000,000.00) DOLLARS** (hereinafter referred to as the "principal sum") lent to the Mortgagor by **ROXDALE GARDENS LTD.**, of #20, 3908-97 Street, Edmonton, Alberta, T6E 6N2 a company incorporated under the laws of Alberta and entitled to carry on business at Edmonton, in the Province of Alberta, (hereinafter called the "Mortgagee"), the receipt of which sum the Mortgagor hereby acknowledges, COVENANTS AND AGREES with the Mortgagee that:

REPAYMENT

1. The Mortgagor will pay to the Mortgagee the principal sum in lawful money of Canada, at #20, 3908-97 Street, in the City of Edmonton, in the Province of Alberta, T6E 6N2 or at such other place as may be designated by the Mortgagee, with interest at the rate of **FIFTEEN PER CENT(15%)** per annum, calculated yearly as well after as before maturity until the principal sum and interest and all other money payable under this mortgage shall be fully paid as follows:

(a) interest at the aforesaid rate on the amounts of the principal sum from time to time advanced, computed from the respective dates of such advances up to and including the 15th day of November, 2019, (hereinafter called the "interest adjustment date") shall become due and be paid on the date last mentioned, provided the Mortgagee may require the aforesaid interest on the principal advances made from time to time, computed from the date of each such advances, to become due and payable in monthly instalments on the first day of the month next following the first advance, and on the first day of each and every month thereafter and the balance, if any, of the aforesaid interest on advances shall become due and be paid on the interest adjustment date, and at the option of the Mortgagee interest so due and payable may be deducted from such advances; and

(b) thereafter the principal sum together with interest thereon at the aforesaid rate, computed from the date last mentioned shall become due and be paid by equal consecutive annual instalments of **interest only**, the first of such instalments to become due and be paid on the 15th day of **November, 2020**, and a like amount on the 15th day of each and every consecutive succeeding year thereafter up to and including the 1st day of **August, 2022**, and the full balance

of the principal sum and interest thereon as aforesaid shall become due and be paid on the date last mentioned; unless the date for payment has been extended by the borrower. Each of the said yearly instalments to be applied firstly in payment of interest, secondly in payment of all other charges due under this mortgage, and thirdly in reduction of the principal sum.

PREPAYMENT PRIVILEGES

2. If your property consists of not more than four living units used solely for residential purposes or if your property is a single residential condominium unit, and you are not in default in making any payment required under the mortgage nor in default of any of your covenants or other obligations under the mortgage, then you shall have the following privileges to make additional payments on account of the principal amount, on any regular mortgage payment date:

- (a) you may **prepay** the mortgage without notice, bonus or penalty once at any time;

PRIORITY

- (b) This mortgage may be renewed or extended, from time to time, at the sole option of the Mortgagor.

ARREARS OF INTEREST

3. All interest in arrears shall become principal and bear interest at the rate aforesaid, payable at the times, in the manner and at the place herein mentioned for the payment of interest, from the time the same becomes due and payable. In case the sums hereby secured or any part thereof be not paid at the time or times above set forth for payment thereof the Mortgagor will, so long as such sums or any part thereof remain unpaid or owing on the security hereof, or during the continuance of this security, pay interest from day to day as above provided on the said sums or so much thereof as shall for the time being remain due, owing or unpaid during the continuance of this security, and the taking of a judgment or judgments under any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Mortgagee's right to interest, at the above rate, on any moneys due or owing to the Mortgagee during the continuance of this security, under any of the covenants herein contained or on any judgment to be recovered thereon. Provided that in the event of any default being made in the payment of any instalment of interest secured under this mortgage the same shall thereupon become part of the principal sum hereby secured and shall bear interest from the time when the same became due at the rate aforesaid, and on each day when any instalment of interest falls due hereunder in each and every year until the whole of the said principal sum and interest secured hereby is fully paid and satisfied; all sums of money, whether interest or otherwise, then due and remaining unpaid shall become principal and bear interest at the rate aforesaid.

CHARGE

4. And for the better securing to the Mortgagee the repayment in manner aforesaid of the said principal sum and interest and other charges and all the moneys hereby secured, the Mortgagor hereby mortgages to the Mortgagee all the Mortgagor's estate and interest in the lands herein described.

SHORT COVENANTS

5. The Mortgagor covenants with the Mortgagee that the Mortgagor:
- (a) has a good title to the said lands;
 - (b) has the right to mortgage the said lands;
 - (c) has done no act to encumber the said lands;
 - (d) will execute such further assurances of the said lands as may be requisite;
 - (e) and that, on default, the Mortgagee shall have quiet possession of the said lands free from all encumbrances.

MORTGAGEE NOT BOUND TO ADVANCE

6. Neither execution nor registration nor acceptance of this mortgage, nor the advance of part of the moneys secured hereby, shall bind the Mortgagee to advance the said principal sum or any unadvanced portion thereof, but nevertheless this mortgage shall take effect forthwith on the execution of these presents, and if the principal sum or any part thereof shall not be advanced at the date hereof, the Mortgagee may advance the same in one or more sums to or on behalf of the Mortgagor at any future date or dates, and the amount of such advances when so made shall be secured hereby and repayable with interest as herein provided.

TAXES, LIENS, ENCUMBRANCES, ETC.

(a) The Mortgagor will pay, as and when the same shall fall due, all taxes, rates, liens, charges, encumbrances or claims which are or may be or become charges or claims against the said lands or on this mortgage or on the Mortgagee in respect of this mortgage and, on demand therefor by the Mortgagee, will produce and leave with the Mortgagee receipts for the same.

(b) The Mortgagee may pay, as and when the same shall fall due, all taxes, rates, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged premises or on this mortgage or on the Mortgagee in respect of this mortgage and any amount so paid by the Mortgagee shall become part of the principal sum hereby secured and be a charge on the said lands in favour of the Mortgagee and shall be payable forthwith by the Mortgagor to the Mortgagee, with interest at the rate aforesaid until paid, and in default proceedings for sale and foreclosure may be taken in addition to all other remedies.

(c) If the said lands or any part thereof are sold or forfeited for non-payment of taxes while any sum remains unpaid hereunder, the Mortgagee may acquire title and rights of the purchaser at any sale, or the rights of any other person or corporation becoming entitled on or under any such forfeiture, or the Mortgagee may pay, either in its own name or in the name of the Mortgagor and on the Mortgagor's behalf, any and all sums necessary to be paid to redeem such lands so sold or forfeited, and to revest such lands in the Mortgagor, and the Mortgagor hereby nominates and appoints the Mortgagee as agent to pay such moneys on the Mortgagor's behalf and in the Mortgagor's name, and any moneys so expended by the Mortgagee shall be repaid by the Mortgagor to the Mortgagee forthwith, or in the alternative the Mortgagee shall have the right to bid on and/or purchase the said lands at any tax sale of the same and shall thereupon become the absolute owner thereof.

(d) The Mortgagor further covenants with the Mortgagee that the Mortgagee may deduct from any advance of moneys secured by this mortgage an amount sufficient to pay any and all taxes, rates, liens, charges, encumbrances or claims against the said lands which have become or will become due and payable and are unpaid at the date of such advances, together with such interest as may be due in respect of such advances.

(e) The Mortgagor shall on demand therefor by the Mortgagee pay to the Mortgagee on each monthly payment date of principal and interest and in addition thereto, until the indebtedness hereby secured is fully paid, an instalment on account of taxes, rates, assessments, levies and charges which are now or may hereafter be imposed upon or charged or chargeable against the said lands by any competent authority. The amount of the monthly instalments shall be equal to the amount of such annual taxes next due, as estimated by the Mortgagee, less all instalments already paid therefor, divided by the number of monthly instalments therefor becoming due not later than one (1) month prior to the due date of any such taxes and shall be subject to increase or decrease to the extent required to create as of the monthly payment date on the mortgage immediately preceding the due date of any such taxes, an amount sufficient for the payment thereof in full on such due date. The due date herein referred to is that date from and after which penalties accrue and become an additional charge if payment is not made on or before such date. Nothing herein contained shall obligate the Mortgagee to apply such moneys on account of taxes more often than once each calendar year.

(f) The Mortgagor covenants to transmit to the Mortgagee all assessment notices, tax notices, and other documents affecting the imposition and payment of taxes against the said lands as soon as the same have been received by the Mortgagor and to obtain and deliver the same to the Mortgagee at least thirty (30) days prior to the due date for the payment thereof.

(g) Any amount paid to the Mortgagee as in this paragraph required, may be held by it with its own funds pending payment or application thereof as herein provided and nothing herein contained shall obligate the Mortgagee to apply such moneys on account of taxes more often than yearly. The Mortgagee shall pay the taxes to the amount of the then unused credit thereof on or before their due date and may, at its option, pay any of such taxes when payable either before or after the said due date, without notice, or make advances therefor in excess of the then amount of credit for such taxes. The excess amount advanced shall be immediately due and payable to the Mortgagee and shall be secured as additional principal sum under this mortgage and bear the same rate of interest from the date of advancement as the principal indebtedness. An official receipt therefor shall be conclusive evidence of such payment and of the validity of such taxes.

(h) The Mortgagee may apply credits for the above taxes, or any part thereof, on account of any delinquent instalments of principal or interest or any other payments maturing or due under this mortgage and the amount of credit existing at any time shall be reduced by the amount thereof paid or applied as herein provided. The amount of the existing credit hereunder at the time of any transfer of the said lands shall without assignment thereof inure to the benefit of the successor owner of the said lands and shall be applied under and subject to all the provisions hereof. Upon the payment in full of the moneys secured hereby, the amount of any unused credit shall be paid to the party lawfully entitled thereto.

(i) If payments are not made as in this paragraph provided, and such default continues for a period of ten (10) days, then the Mortgagee may, at its option, declare the whole of the principal sum and interest hereby secured and not previously paid immediately due and payable and proceed as in the case of any other default in payment thereof.

INSURANCE

(j) The Mortgagor will forthwith insure, and during the continuance of this security keep insured against loss or damage by fire each and every building on the said lands to the extent of their full replacement value in an insurance company or companies, to be approved of by the Mortgagee; and will not do nor suffer anything whereby the said policy or policies may be vitiated, and will pay all premiums and sums of money necessary for such purposes as the same shall become due and will assign and deliver over unto the Mortgagee the policy or policies of insurance, the receipt or receipts thereto appertaining.

(k) In addition to the furnishing of fire insurance as herein otherwise provided, the Mortgagor covenants and agrees with the Mortgagee to furnish to the Mortgagee insurance policies or insurance contracts against such other insurable risks, perils or events including, without limiting the generality of the foregoing, boiler, plat glass, rental and public liability insurance, and in such amounts as the Mortgagee may require, upon the improvements situate on the mortgaged premises to the full replacement value and for such period of time as the Mortgagee may from time to time require during the existence of this mortgage.

(l) If the Mortgagor shall neglect to keep the said buildings, or any of them, insured as aforesaid, or to pay the said premiums, or to deliver such policy or policies of insurance, or the receipt or receipts thereto appertaining to the Mortgagee, or to deliver satisfactory evidence of the renewal of each policy of insurance to the Mortgagee at its Head Office in Toronto at least five (5) days before the expiry thereof, then it shall be lawful for the Mortgagee to insure the said building or buildings in manner aforesaid, at the cost, charge and expense of the Mortgagor.

(m) The Mortgagee may require any insurance of the said buildings to be cancelled and new insurance effected, and it shall be optional with the Mortgagee, in so far as it is entitled so to do from time to time under the laws of the Province of Alberta, to name the company or companies and the agents thereof, by which the insurance shall be written, all at the cost, charge and expense of the Mortgagor.

(n) The loss under any policies or contracts of insurance hereinbefore required to be provided by the Mortgagor, and any renewal thereof, shall be payable to the Mortgagee as first mortgagee, and such policies or contracts shall be in terms satisfactory to the Mortgagee, shall have attached mortgage clauses in a form approved by the Mortgagee, and shall be delivered to and held by the Mortgagee.

(o) If for any reason any insurance as hereinbefore provided for cannot be effected or maintained, the whole of the principal sum and interest hereby secured and not previously paid shall, at the option of the Mortgagee, forthwith become due and payable.

(p) And it is further agreed that in case of the cancellation of any insurance by reason of the unsatisfactory condition of the buildings on the said lands or from any other cause whatsoever, the Mortgagee or its agents shall have the right to enter the said buildings at any time for the purpose of inspection at the expense of the Mortgagor, and the whole of the principal sum and interest hereby secured and not previously paid shall, at the option of the Mortgagee, forthwith become due and payable.

(q) Nothing herein shall be deemed to hold the Mortgagee responsible for failure to have insurance placed or for any loss growing out of any defects in any policy, or because of failure of any insurance company to pay for any loss or damage insured against.

(r) And the Mortgagor agrees forthwith on the happening of any loss or damage, to furnish at the expense of the Mortgagor all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance moneys and all moneys received by virtue of any policy or policies as aforesaid may, at the option of the Mortgagee, either be forthwith applied in or toward repairing, rebuilding, or reinstating the mortgaged premises or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the mortgaged premises or be applied or paid partly in one way and partly in another, or it may be applied, at the sole discretion of the Mortgagee, in whole or in part on the mortgage debt or any part thereof whether due or not then due.

IMPROVEMENT, FIXTURES, ETC.

7. All erections, buildings, improvements, and other fixtures which are now or which shall hereafter be placed or installed upon the mortgaged premises shall form part of the realty and of the security and are included in the expression "the said lands", and the Mortgagor will not commit any act of waste thereon, and the Mortgagor will at all times during the continuance of this security, the same repair, maintain, restore, amend, keep, make good, finish, add to and put in order, and in the event of any loss or damage thereto or destruction thereof the Mortgagee may give notice to the Mortgagor to repair, rebuild, or reinstate the same within a time to be determined by the Mortgagee and to be stated in such notice; and upon the Mortgagor failing so to repair, rebuild or reinstate within such time, such failure shall constitute a breach of covenant hereunder and thereupon the mortgage moneys shall, at the option of the Mortgagee, become immediately due and payable and that without any demand by the Mortgagee upon the Mortgagor; provided that the Mortgagee may repair, rebuild or reinstate the mortgaged premises at the cost of the Mortgagor and charge all sums of money determined by the Mortgagee to be properly paid therefor to the mortgage account. This provision shall be in addition to any statutory covenants implied in this mortgage.

ASSIGNMENT OF RENTS

8. As further security for the payment of all moneys owing hereunder the Mortgagor assigns and agrees to assign to the Mortgagee all rents which shall now, or hereafter may become payable by reason of any tenancy or tenancies covering the mortgaged premises or any part thereof; and if the Mortgagor be in default in the observance or performance of any of the terms, covenants and conditions of this mortgage, then the Mortgagee shall have the right, by its agents or otherwise, to take and receive the rents thereof, and, for such purposes, the Mortgagor hereby appoints the Mortgagee attorney for the Mortgagor and in the Mortgagor's name, to execute such agreements, transfers or conveyances as may be required for the purposes aforesaid, the Mortgagor hereby confirming and ratifying all things which the Mortgagee may do in connection therewith; and the Mortgagor agrees to execute such further assurances as may be required to give effect to the true intent and purpose of this provision; but nothing in this provision shall make the Mortgagee chargeable or accountable as a mortgagee in possession.

EXPENSES OF OBTAINING AND MAINTAINING SECURITY

9. All solicitor's, inspector's, valuator's and surveyor's fees and expenses for drawing and registering this mortgage and for examining the mortgaged premises and the title thereto and for making or maintaining this mortgage a first charge on the mortgaged premises, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting, and legal costs as between solicitor and client, and also allowance for the time, work and expenses of the Mortgagee or of any agent, solicitor or servant of the Mortgagee for any purpose herein provided for as from time to time are permitted by the laws of the Province of Alberta together with all sums which the Mortgagee may and does from time to time advance, expend or incur hereunder as principal, insurance premiums, taxes, rates, or in or toward payment of prior liens, charges, encumbrances or claims charged or to be charged against the said lands, or in maintaining, repairing, restoring or completing the mortgaged premises, and in inspecting, leasing, managing or improving the mortgaged premises, including the price or value of any goods of any sort or description supplied to be used on the mortgaged premises, and whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise are to be secured hereby and shall be a charge on the said lands, together with interest thereon at the said rate; and all such moneys shall be repayable to the Mortgagee on demand, or if not demanded, then with the next ensuing instalment of interest, except as herein otherwise provided.

MAINTENANCE OF CHARGE

10. The Mortgagor will fully and effectually maintain and keep the security hereby created as a valid and effective security during the currency hereof and will not permit or suffer the registration of any debt, lien or privilege whatsoever, whether of workmen, builders, contractors, engineers, architects or suppliers of material, upon or in respect of the mortgaged premises, which could rank prior to the charge of this mortgage; provided that the registration of any such lien or privilege shall not be deemed to be a breach of this covenant if the Mortgagor shall desire in good faith to contest the same and shall, if the Mortgagee so requires, give security to the satisfaction of the Mortgagee for the due payment of the amount claimed in respect thereof, together with possible costs, in case it shall be a valid lien or privilege.

ACCELERATION

11. If any default shall be made in any payment of principal or interest of any of the moneys hereby secured or any part thereof, or in the observance or performance of any of the covenants, agreements, provisos and stipulations herein contained, then, and in such case, the whole principal moneys hereby secured shall, at the option of the Mortgagee, become due and payable in like manner to all intents and purposes as if the time herein mentioned for payment of such principal money had fully come and expired.

REMEDIES ON DEFAULT

12. In the event of default being made in any of the covenants, agreements, provisos or stipulations expressed or implied herein:

- (a) the Mortgagee may, at the expense of the Mortgagor, and when and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed such covenant, agreement, proviso or stipulation;
- (b) the Mortgagee may send or employ an inspector or agent to inspect and report upon the value, state and condition of the said lands and a solicitor to examine and report upon the title to the same;
- (c) the Mortgagee or agent of the Mortgagee may enter into possession of the said lands and whether in or out of possession collect the rents and profits thereof, and make any demise or lease of the mortgaged premises, or any part thereof, for such terms and periods and at such rents as the Mortgagee shall think proper; and the power of sale hereunder may be exercised either before or after and subject to any such demise or lease;
- (d) it shall and may be lawful for and the Mortgagor hereby grants full power, right and licence to the Mortgagee to enter, seize and distrain upon the mortgaged premises, or any part thereof, and by distress warrant to recover as much of the moneys secured hereby as shall from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress;

(e) the Mortgagee may sell and dispose of the said lands with or without entering into possession of the same and with or without notice to the Mortgagor or any party interested in the said lands; and all remedies competent may be resorted to; and all the rights, powers and privileges granted to or conferred upon the Mortgagee under and by virtue of any statute or by this mortgage may be exercised; and no want of notice or publication or any other defects, impropriety or irregularity shall invalidate any sale made or purporting to be made of the said lands hereunder; and the Mortgagee may sell, transfer and convey any part of the mortgaged premises on such terms of credit or part cash and part credit, secured by contract or agreement for sale or mortgage, or otherwise, as shall appear to the Mortgagee most advantageous and for such prices as can reasonably be obtained therefor; and in the even of a sale on credit or for part cash and part credit, whether by way of contract for sale or by conveyance or transfer and mortgage, the Mortgagee is not to be accountable for or charged with any moneys until the same shall be actually received in cash; and sales may be made from time to time of parts of the said lands to satisfy interest or parts of the principal overdue, leaving the principal or parts thereof to run with interest payable as aforesaid; and the Mortgagee may make stipulations as to title or evidences or commencement of title or otherwise as the Mortgagee shall deem proper, and may buy in or rescind or vary any contract for sale; and on any sale or resale, the Mortgagee shall not be answerable for loss occasioned thereby; and for any of such purposes the Mortgagee may make and execute all agreements and assurances that the Mortgagee shall deem advisable or necessary; and

(f) the Mortgagee shall be entitled (in addition and without prejudice to all its other rights and privileges) forthwith to apply for and obtain the appointment of a receiver of the said lands and premises and the rents and profits thereof without the necessity of first exercising its right to enter into possession.

EXPROPRIATION

13. If the said lands shall be expropriated by any government, authority, body or corporation clothed with the powers of expropriation, the amount of the principal sum hereby secured remaining unpaid shall forthwith become due and payable together with interest thereon at the said rate to the date of payment and together with a bonus equal to the sum of three (3) months' interest at the said rate calculated on the amount of the said principal sum so remaining unpaid.

MISCELLANEOUS COVENANTS

14. The Mortgagor further covenants and agrees with the Mortgagee that:

(a) it is agreed that this mortgage, the taking, foreclosure or cancellation thereof or any other dealing with or proceeding under the same shall not operate by way of merger of any indebtedness of the Mortgagor to the Mortgagee or any contract or instrument by which the same now or at any time hereafter be represented or evidenced, nor shall it operate to suspend payment of any such indebtedness or affect or prejudice in any way the rights, remedies and powers of the Mortgagee in respect thereof or any securities held by the Mortgagee for the payment thereof; and that no judgment recovered by the Mortgagee and no other dealing with any other security for the moneys advanced hereunder or secured hereby shall operate by way of merger of this mortgage or in any way affect the security hereby created or the Mortgagee's right to interest as aforesaid;

(b) the Mortgagee may at all times release any part or parts of the said lands or any other security or any surety for payment of all or any part of the moneys hereby secured or may release the Mortgagor or any other person from any covenant or other liability to pay the said moneys or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any moneys except those actually received by the Mortgagee, and without thereby releasing any other part of the said lands, or any other securities or covenants herein contained, it being especially agreed that notwithstanding any such release the lands, securities and covenants remaining unreleased shall stand charged with the whole of the moneys hereby secured;

(c) no extension of time given by the Mortgagee to the Mortgagor, or anyone claiming under the Mortgagor, shall in any way affect or prejudice the rights of the Mortgagee against the Mortgagor or any other person liable for payment of the moneys hereby secured;

- (d) the waiver of one or more defaults under this mortgage shall not be construed as a waiver of any subsequent or other default;
- (e) in the event of the mortgage moneys advanced hereunder, or any part thereof, being applied to the payment of any charge or encumbrance, the Mortgagee shall be subrogated to all the rights of and stand in the position to and be entitled to all the equities of the party so paid off whether such charge or encumbrance has or has not been discharged; and the decision of the Mortgagee as to the validity or amount of any advance or disbursement made under this mortgage or of any claim so paid off, shall be final and binding on the Mortgagor;
- (f) the Mortgagee shall not be charged with any moneys receivable or collectable out of the mortgaged premises or otherwise, except those actually received; and all revenue of the said premises received or collected by the Mortgagee from any source other than payment by the Mortgagor may, at the option of the Mortgagee, be used in maintaining or insuring or improving the mortgaged premises, or in payment of taxes or other charges against the mortgaged premises, or applied on the mortgage account;
- (g) in any action, suit, or proceeding for enforcing this mortgage, or to recover payment of the moneys hereby secured, or for the sale, foreclosure, or obtaining possession of the said lands, or any part thereof, service of any Notice, Writ of Summons, Originating Summons, Statement of Claim, Order of Court or a Judge, or of any legal or other proceeding by the Mortgagee, or by any statute, ordinance, rule, order or practice required to be given or served, may be effected by posting up a copy of such Notice, Writ of Summons, Originating Summons, Statement of Claim, Order or legal proceeding on the said lands (if unoccupied), or by leaving any such copy with a grown person on the said lands (if occupied) or, at the option of the Mortgagee, by publishing the same in some newspaper published in the Province of Alberta; and such notice shall be sufficient though not otherwise addressed than "To Whom It May Concern"; and the Mortgagor hereby agrees to such notice being given or such service being made as aforesaid, and that the same shall be in lieu of and shall have the same effect and be taken as personal notice or service; any statute, ordinance, order, rule, or practice to the contrary notwithstanding;
- (h) if the Mortgagor be a corporation, it hereby waives the provisions of Subsections (1) to (3) inclusive of Section 42 and Subsections (1) to (4) inclusive of Section 41 of the Law of Property Act, Revised Statutes of Alberta 2000, Chapter L-7 and all the amendments thereto and all the amendments made subsequent hereto, and all substitutions thereof;
- (i) wherever the singular number of the masculine gender is used in this instrument the same shall be construed as including the plural and feminine and neuter respectively where the fact or context so required; and in any case where this mortgage is executed by more than one party all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several; and the heirs, executors, administrators, successors and assigns of any party executing this mortgage are jointly and severally bound by the covenants, agreements, stipulations and provisoes herein contained; and the covenants, agreements, stipulations and provisoes herein stated shall be in addition to those granted or implied by statute; and
- (.1) the descriptive headings of the several paragraphs of this mortgage are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

BUILDING MORTGAGE

15. If this mortgage is a building mortgage, the Mortgagor covenants and agrees with the Mortgagee to construct a building or buildings and other improvements on the said lands in accordance with the plans and specifications which have been or are hereafter approved by the Mortgagee and to carry on diligently to completion the said building, buildings and other improvements and that the building or buildings being erected or to be erected on the said lands shall form part of the security for the full amount of the moneys secured by this mortgage, and that advances on this mortgage are to be made from time to time in the future in accordance with the progress of such building or buildings or upon their completion, occupation or sale, subject to the provisions of paragraph 7 hereof.

DISCHARGE

16. The Mortgagee shall have a reasonable time after payment of the mortgage moneys in full within which to prepare and execute a discharge of this mortgage; and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Mortgagee; and to the extent permitted by law, all legal and other expenses for the preparation and execution of such discharge shall be borne by the Mortgagor; PROVIDED THAT the Mortgagor shall not be entitled to a discharge of this mortgage unless and until all covenants, provisoes, agreements and stipulations herein contained, on the part of the Mortgagor to be observed or performed, have been duly complied with, whether the Mortgagee has taken legal proceedings thereon and recovered judgment or otherwise.

The undersigned Mortgagor acknowledges having received a true copy of this mortgage.

IN WITNESS WHEREOF, the mortgagor has executed this mortgage under seal this 9th day of July, A.D. 2020

Cancom Roxdale Inc. ^{r,}

sed

Per:

[Handwritten Signature]

DATED THE 9TH DAY OF JULY, 2020

CANCOM ROXDALE INC.

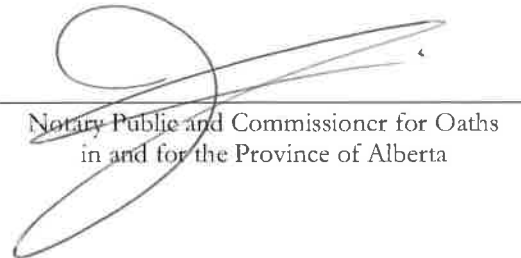
TO

ROXDALE GARDENS LTD.

MORTGAGE

|||||
202157563 REGISTERED 2020 08 04
MORT - MORTGAGE
DOC 1 OF 1 DRR#: B1646CD ADR/MKELLER
LINC/S: 0037983772 +

This is **Exhibit "C"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

AMENDING AGREEMENT

THIS AMENDING AGREEMENT AND NOTICE (the "**Amending Agreement**") is made effective as of December 17, 2020 between Cancom Roxdale Inc. ("**Cancom Roxdale**") and Roxdale Gardens Ltd. ("**Roxdale Gardens**").

WHEREAS Roxdale Gardens is proposing to commence a residential real estate development on two parcels of land comprising approximately 23.6 acres of land in Leduc County, in the Province of Alberta (the "**Project**"), with title to the Project being registered in the name of Cancom Roxdale and being legally described as Plan 1821856, Block 1, Lots 3 and 4;

AND WHEREAS Roxdale Gardens has a mortgage registered against title to the Project in the principal amount of \$10 million (the "**Mortgage**"), such Mortgage being held in trust for the preferred shareholders of Roxdale Gardens;

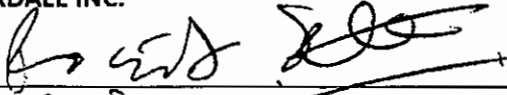
AND WHEREAS the parties hereto wish to amend the terms of the Mortgage such that upon an event of default thereunder, title to the Project will be registered in the name of Roxdale Gardens and Cancom Roxdale will take any and all necessary actions to facilitate this transfer of title prior to attempting to sell the lands comprising the Project to repay any amounts owing thereunder;

NOW THEREFORE in consideration of the foregoing and the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

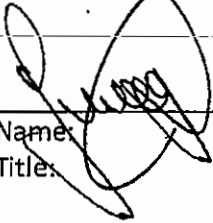
- (1) All capitalized terms not defined herein shall have the meaning given to such terms in the Mortgage unless the context otherwise requires.
- (2) Cancom Roxdale hereby agrees that in the event of a default under the Mortgage, it will take any and all actions to facilitate the transfer of title to the Project to Roxdale Gardens prior to any of the other remedies available to Roxdale Gardens being effected thereunder.
- (3) With the exception of the foregoing amendment, the Mortgage shall continue in full force and effect unamended.
- (4) This Amending Agreement will be construed in all respects under and be subject to the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- (5) This Amending Agreement may be executed in counterpart and evidenced by a facsimile or other electronic copy thereof and all such counterpart execution or facsimile copies shall constitute one document.

In witness whereof Cancom Roxdale and Roxdale Gardens have executed this Amending Agreement effective as of the date first above written.

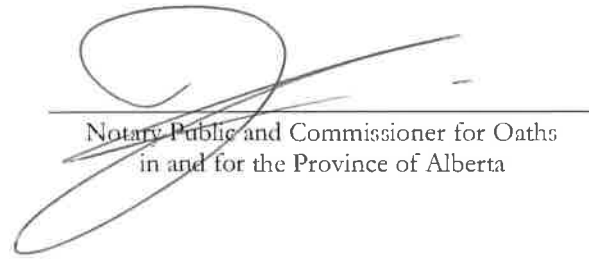
CANCOM ROXDALE INC.

Per: 
Name: Rohit Sethi
Title: DIRECTOR

ROXDAE GARDENS LTD.

Per: 
Name: _____
Title: _____

This is **Exhibit "D"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

November 3, 2021

Cancom Roxdale Inc.
20, 3908-97 Street
Edmonton, AB T6E 6N2

Dear Sir/Madam:

Re: Indebtedness of Cancom Roxdale Inc. (the “Borrower”) to Roxdale Gardens Ltd. (the “Lender”)

Further to the above noted matter, please be advised that our office, Torys LLP, acts as legal counsel to FTI Consulting Canada Inc., who has been appointed to act as the receiver-manager (the “**Receiver**”) of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of the Lender pursuant to the *Business Corporations Act*, RSA 2000, c B-9 and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, and the order granted on June 24, 2021 by the Honourable Madam Justice M.H. Hollins of the Court of Queen’s Bench of Alberta.

As you are aware, the Borrower is indebted to the Lender as a result of a secured credit facility advanced to the Borrower by the Lender. Reference is here made to the following agreements entered into between the Lender and the Borrower, as applicable:

- a) Mortgage pursuant to the “Land Titles Act” Agreement dated July 9, 2020 (the “**Mortgage**”) granted by the Borrower in favour of the Lender, in consideration of the sum of \$10,000,000 lent to the Borrower by the Lender with respect to the following lands (collectively, the “**Lands**”):

PLAN 1821856
BLOCK 1
LOT 3
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 6.76 HECTARES (16.7 ACRES) MORE OR LESS
TITLE NUMBER: 182 154 459 +3

PLAN 1821856
BLOCK 1
LOT 4
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 2.79 HECTARES (6.89 ACRES) MORE OR LESS
TITLE NUMBER: 182 154 459 +4

- b) Amending Agreement and Notice dated December 17, 2020, which amends the Mortgage, and provides that the Borrower agrees that in the event of a default under the Mortgage, it will take any and all actions to facilitate the transfer of title to the Lands to the Lender prior to any of the other remedies available to the Lender being effected thereunder; and
- c) Further and other security.

Pursuant to the Receiver's review of the Lender's TD Account (TD bank account number 5233780) and the Mortgage, it is the position of the Receiver that the Borrower is in default of some or all of the above documents. The Receiver's investigation and findings indicate that there is a default under the Mortgage relating to the interest payment due on the First Interest Repayment Date (November 15, 2020) – this would trigger the acceleration clause in Section 11 of the Mortgage, requiring the repayment of the monies secured following non-payment of interest or principal payment.

As at November 1, 2021, the amount outstanding and owing by the Borrower to the Lender was CAD \$12,936,712, plus accruing costs and interest.

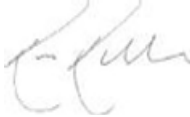
Demand is hereby made upon the Borrower for payment in full of the amounts outstanding together with any accrued interest and other legal fees or charges that may arise. In the event that payment is not made in full by close of business on November 16, 2021, the Receiver will take such steps as it may consider necessary to protect its position and the position of the estate, including bringing an action for foreclosure or the sale of the Lands.

Of course, due to deficient or incomplete documentation or information provided to the Receiver, the Receiver may not have all of the required documentation or information to confirm with certainty its findings. As such, the Receiver requests, should you disagree with the Receiver's findings, that you provide documentation to support your position forthwith and by no later than November 16, 2021. If the Receiver does not hear from you by such time, it is likely to commence an action for foreclosure against the Lands.

Also enclosed for service upon you is a Notice of Intention to Enforce Security provided in accordance with the provisions of the *Bankruptcy and Insolvency Act*. If you consent to the Lender taking earlier enforcement, please return the enclosed consent to earlier enforcement, executed by a duly authorized representative of the Borrower.

Please let us know if you have any questions or comments and kindly confirm receipt of this letter.

Yours truly,



Kyle Kashuba

KDK/rd

Enclosure

Copies to: The Receiver, Attention: Dustin Olver (via email)
Directors/Shareholders of Borrower, Attention: Vikaas Kwatra, Rohit Sethi & Yuvraj Verma (via courier to addresses noted in Corporate Search of Borrower)

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1))

TO: **Cancom Roxdale Inc.**

TAKE NOTICE THAT:

1. FTI Consulting Canada Inc., who has been appointed by the Alberta Court of Queen's Bench to act as the receiver-manager (the "**Receiver**") of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof of Roxdale Gardens Ltd. (the "**Lender**"), a secured creditor, intends to enforce the Lender's security on the property of the above person (the "**Debtor**"), which encompasses all or substantially all of its property and assets;
2. The security that is to be enforced includes security granted by the insolvent person in favour of the Lender as set out in Schedule "A", attached hereto;
3. The total amount of the indebtedness secured by the security, as at November 1, 2021, is Cdn \$12,936,712, plus accrued and accruing costs, interest and disbursements from that date and from the date of this notice; and
4. The secured creditor (the Lender) will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice unless the insolvent person consents to an earlier enforcement.

Dated at Calgary, Alberta, this 3rd day of November, 2021.

FTI CONSULTING CANADA INC.,
solely in its capacity as the Court-appointed
Receiver of Roxdale Gardens Ltd., with no
personal or corporate liability, by its
solicitors and agents, **TORYS LLP**

By:



Name: Kyle Kashuba
Title: Partner

CONSENT TO EARLIER ENFORCEMENT

Cancom Roxdale Inc.:

- (a) Consents to the immediate enforcement by the Receiver, on behalf of the Lender, as a secured party of the security described in paragraph 2 above pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* (Canada); and
- (b) Consents to the Receiver's (on behalf of the secured party's, the Lender's) disposition of any or all collateral subject to the secured party's (the Lender's) security immediately or otherwise as the secured party may determine in its sole discretion, without notice as required by the *Personal Property Security Act* (Alberta).

CANCOM ROXDALE INC.

By: _____
Name:
Title:

SCHEDULE "A"

- a) Mortgage pursuant to the "Land Titles Act" Agreement dated July 9, 2020 (the "**Mortgage**") granted by Cancom Roxdale Inc. (the "**Borrower**") in favour of Roxdale Gardens Ltd. (the "**Lender**"), in consideration of the sum of \$10,000,000 lent to the Borrower by the Lender with respect to the following lands (collectively, the "**Lands**"):

PLAN 1821856
BLOCK 1
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EXCEPTING THEREOUT ALL MINES AND MINERALS
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AREA: 2.79 HECTARES (6.89 ACRES) MORE OR LESS
TITLE NUMBER: 182 154 459 +4

- b) Amending Agreement and Notice dated December 17, 2020, which amends the Mortgage, and provides that the Borrower agrees that in the event of a default under the Mortgage, it will take any and all actions to facilitate the transfer of title to the Lands to the Lender prior to any of the other remedies available to the Lender being effected thereunder; and
- c) Further and other security.

This is **Exhibit "E"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta



Leduc County

Suite 101, 1101 - 5th Street

Nisku, Alberta

T9E 2X3

Ph: 780-955-3555 Fx: 780-955-3444

TAX CERTIFICATE

Roll Number: 1128008 Certificate Number: 23058
Legal Description: PS-Sc-Twp-Rg-M Lot -Block -Plan
NE-32-050-24-4 3 -1 1821856
Municipal Address:
Assessable Area: 16.700 Ac LINC #: 0037983772
Subdivision: 922 - ROYAL WOODS Title #: 182154459003

Tax year:	2021	2022	Current Yr Asmnt
Tax Levy: \$	4,637.80	.00	840,670
Supplementary Tax Levy: \$	.00	.00	
Local Improvement Levy: \$	.00	.00	

Local Improvement Expiration Date:

Current Taxes Outstanding: \$	.00
Arrears Taxes Outstanding: \$	10,860.80
Total amount of taxes payable at this date: \$	10,860.80

TIPP (Tax Installment Payment plan) monthly payment amount of: .00
TAX PENALTIES: JULY 1-6% ON ALL CURRENT TAXES, NOVEMBER 1-6% ON ALL
CURRENT AND ARREARS OF TAXES, MARCH 1-6% ON ALL ARREARS OF TAXES
UTILITIES INVOICED MONTHLY (NEW SAREPTA), BI-MONTHLY (ALL OTHER ACCOUNTS)
UTILITY PENALTY: 2.6%, UTILITY BALANCES DO NOT INCLUDE ANY UNAPPLIED BATCHES


This certificate is binding on the municipality only to the date below and does not include taxes on buildings that are under construction but not yet assessed, and that may be added to the tax roll by the municipality as provided for in the Municipal Government Act, and does not include any money owing to the municipality but not to this date added to the tax roll of the municipality under the provision of any statute.

For an abstract of encumbrances other than taxes, apply to:
The Registrar, Land Title Offices, Edmonton, Alberta

Tax payments returned by the bank after the date certified will make this certificate void.

Your File ID. rob

FTI CONSULTING CANADA INC.
SUITE# 1610, 520 - 5TH AVE SW
CALGARY AB T3G 4E7


NATASHA WICE
DIRECTOR OF FINANCE
LEDUC COUNTY
2022/01/07 9:50:39


Trisha Galenza

From: noreply@esolutionsgroup.ca
Sent: Friday, January 7, 2022 9:29 AM
To: Reception
Subject: New Response Completed for Tax certificate request

Hello,

Please note the following response to Tax certificate request has been submitted at Friday January 7th 2022 9:28 AM with reference number 2022-01-07-001.

- **Applicant name**
Rob Kleebaum - RUSH Request
- **Business name**
FTI Consulting Canada Inc
- **Business mailing address**
Suite 1610, 520 - 5th Ave SW
- **City:**
Calgary
- **Province:**
Alberta
- **Postal Code:**
T3G4E7
- **Phone number**
(587) 999-5516
- **Email address**
robert.kleebaum@fticonsulting.com
- **Roll number**
1128008
- **Name of property owner**
Cancom Roxdale Inc.
- **Lot**
3
- **Block**
1

T/C #	23058
ROLL #	22670
AR #	22670
INVOICE TO FOLLOW	
	FAX/MAIL 



Leduc County

Suite 101, 1101 - 5th Street

Nisku, Alberta

T9E 2X3

Ph: 780-955-3555 Fx: 780-955-3444

TAX CERTIFICATE

Roll Number: 1128007 Certificate Number: 23057
Legal Description: PS-Sc-Twp-Rg-M Lot -Block -Plan
NE-32-050-24-4 4 -1 1821856
Municipal Address:
Assessable Area: 6.890 Ac LINC #: 0037983780
Subdivision: 922 - ROYAL WOODS Title #: 182154459004

Tax year:	2021	2022	Current Yr Asmnt
Tax Levy: \$	26.98	.00	1,830
Supplementary Tax Levy: \$	.00	.00	
Local Improvement Levy: \$	.00	.00	

Local Improvement Expiration Date:

Current Taxes Outstanding: \$	.00
Arrears Taxes Outstanding: \$	62.86
Total amount of taxes payable at this date: \$	62.86

TIPP (Tax Installment Payment plan) monthly payment amount of: .00
TAX PENALTIES: JULY 1-6% ON ALL CURRENT TAXES, NOVEMBER 1-6% ON ALL
CURRENT AND ARREARS OF TAXES, MARCH 1-6% ON ALL ARREARS OF TAXES
UTILITIES INVOICED MONTHLY (NEW SAREPTA), BI-MONTHLY (ALL OTHER ACCOUNTS)
UTILITY PENALTY: 2.6%, UTILITY BALANCES DO NOT INCLUDE ANY UNAPPLIED BATCHES


This certificate is binding on the municipality only to the date below and does not include taxes on buildings that are under construction but not yet assessed, and that may be added to the tax roll by the municipality as provided for in the Municipal Government Act, and does not include any money owing to the municipality but not to this date added to the tax roll of the municipality under the provision of any statute.

For an abstract of encumbrances other than taxes, apply to:
The Registrar, Land Title Offices, Edmonton, Alberta

Tax payments returned by the bank after the date certified will make this certificate void.

Your File ID. rob

FTI CONSULTING CANADA INC.
SUITE# 1610, 520 - 5TH AVE SW
CALGARY AB T3G 4E7


NATASHA WICE
DIRECTOR OF FINANCE
LEDUC COUNTY
2022/01/07 9:48:35

Trisha Galenza

From: noreply@esolutionsgroup.ca
Sent: Friday, January 7, 2022 9:31 AM
To: Reception
Subject: New Response Completed for Tax certificate request

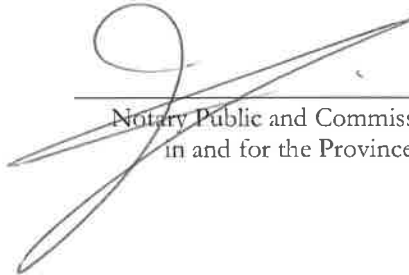
Hello,

Please note the following response to Tax certificate request has been submitted at Friday January 7th 2022 9:30 AM with reference number 2022-01-07-002.

- **Applicant name**
Rob Kleebaum - RUSH Request
- **Business name**
FTI Consulting Canada Inc
- **Business mailing address**
Suite 1610, 520 - 5th Ave SW
- **City:**
Calgary
- **Province:**
Alberta
- **Postal Code:**
T3G4E7
- **Phone number**
(587) 999-5516
- **Email address**
robert.kleebaum@fticonsulting.com
- **Roll number**
1128007
- **Name of property owner**
Cancom Roxdale
- **Lot**
4
- **Block**
1

T/C #	23057
ROLL #	1128007
AR #	22670
INVOICE TO FOLLOW	
<i>JH</i>	FAX/EMAIL

This is **Exhibit "F"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta

Statement of Balance Owing
pursuant to a Mortgage dated
July 9th, 2020 between
Cancom Roxdale Inc. ("Mortgagor")
Roxdale Gardens Ltd. ("Mortgagee")

	<u>Amount Receiver confirmed as advanced</u>	
Principal sum of Mortgage July 9, 2020	6,899,800	
Interest	15% per annum calculated yearly	
2020 Annual interest	1,034,970	
2020 Interest per day	2,835.53	
Opening Balance	6,899,800	
Interest accrued in 2020	496,218.49	175 days
Repayments	0	
Balance at Decmeber 31, 2020	<u>7,396,018.49</u>	
Interest Jan 1, 2021 to November 15, 2021	969,587.63	319 days
Repayments	0	
Balance as at November 15, 2021	<u>8,365,606.12</u>	1,607,876.71
 		4,405.14
Per diem	3,039.46	1,405,240.20
	1,465,806.12	

This is **Exhibit "G"** referred to
in the Affidavit of Dustin Olver
Sworn before me this 7th day of February 2022



Notary Public and Commissioner for Oaths
in and for the Province of Alberta

[CONFIDENTIAL EXHIBIT]

Jaspreet Mann
Barrister & Solicitor
A Commissioner for Oaths
in and for Alberta