



This is the 1st affidavit  
of Talbir Mann in this case  
and was made on March 31, 2026

Province of British Columbia  
Bankruptcy Division  
Vancouver Registry  
Court File No. B-260250  
Estate No. 11-3352394

**IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF  
1281805 BC LTD.

**AFFIDAVIT**

I, Talbir Mann of 900-980 Howe Street, Vancouver, British Columbia, businessperson, AFFIRM THAT:

1. I am a director of 1281805 BC Ltd. (the "**Company**") and as such have personal knowledge of the facts and matters hereinafter deposed to by me, except where stated to be based on information and belief, and where so stated, I verily believe them to be true.
2. This affidavit is in support of the Company's application for an order creating a first-ranking debtor-in-possession financing charge on the Company's assets.

**The Company and the Project**

3. The Company is a real estate development company incorporated for the purpose of pursuing a real estate development project at 23697 Fern Crescent in Maple Ridge, BC (the "**Everwood Project**"). Attached and marked as **Exhibit "A"** to this Affidavit is a true copy of a corporate summary for the Company.
4. The Everwood Project is a gated community in Maple Ridge's Silver Valley. The Everwood Project comprises 35 townhomes, each with 3 or 4 bedrooms, a side-by-side garage, private patio and backyard.
5. Title to the Everwood Project is held by the Company as part of a joint venture. Attached and marked as **Exhibit "B"** to this Affidavit is a true copy of the land title search for the property.
6. The Company, Wood Lock Developments Ltd. (a development company of which I am also director), and 1281826 BC Ltd., are also parties to the joint venture.

7. The Everwood Project is in an advanced stage of construction and marketing.
8. Phase 1 of the project is partially completed: 11 units were completed and sold around November 7, 2025, and two additional buildings including 10 additional units are scheduled to commence construction, with four (Building 8, Units 26-29) anticipated to be completed by June 3, 2026, and six (Build 1, Units 1-6) anticipated to be completed by July 29, 2026.
9. Of the remaining 10 units, the Company has entered into six pre-sale contracts for a total purchase price of \$5,898,000 (five firm, one with subjects to be removed April 1, 2026).
10. Construction financing for Phase 2 has otherwise been secured with Envision Financial, a division of First West Credit Union ("Envision"), addressed in part below.

#### **NOI Filing**

11. The Company filed a notice of intention to make a proposal to creditors ("NOI") under the *Bankruptcy and Insolvency Act* ("BIA") on March 26, 2026, under estate file number 11-3352394.
12. The Company's current creditors listing is attached and marked as **Exhibit "C"** to this Affidavit. The notice to creditors is expected to be prepared and mailed to creditors on or before April 2, 2026, being five days after the Company's filing of the NOI.
13. FTI Consulting Canada Inc. is the proposal trustee in the NOI proceeding (the "**Proposal Trustee**").

#### **Creditors**

14. The Everwood Project has principally been financed through secured loan facilities with Envision Financial, a division of First West Credit Union ("Envision"), including:
  - (a) an offer of credit dated June 23, 2023 (the "**Phase 1 Credit Facility**"). \$7,024,400.74 remains owing on this facility, with monthly interest approximately \$34,756.35 per month. Attached and marked as **Exhibit "D"** to this Affidavit is a true copy of the Phase 1 Credit Facility; and
  - (b) an offer of credit dated January 28, 2025 (the "**Phase 2 Credit Facility**"). \$3,111,239.95 has been advanced under this facility, with monthly interest approximately \$15,394.24 per month. Attached and marked as **Exhibit "E"** to this Affidavit is a true copy of the Phase 2 Credit Facility.
15. Attached and marked as **Exhibit "F"** are the personal property security registration reports dated March 26, 2026, in respect of the Company.

16. The Company's other known creditors are primarily trade creditors and suppliers who have provided services and materials in respect of the Everwood Project, some of which have registered builders' liens against title to the lands.

#### **Assets**

17. The main asset of the Everwood Project are the lands at 23697 Fern Crescent in Maple Ridge, BC, and the improvements thereon.
18. The planned development and existing approvals also represent value to stakeholders, as do the pre-sale contracts that have been entered into with pre-sale purchasers (with total purchase prices of \$5,898,000), to the extent that the Company achieves the outside dates for the completion of the relevant units (currently June 22, 2026, or June 24, 2026, subject to extension).

#### **Cause of Insolvency**

19. Generally, the cause of the Company's insolvency was an unanticipated overrun of the timeline for construction and resultant cost overruns, including as a result of the need to make ongoing interest payments to Envision over that time.
20. Envision has advised it will not make further funds available to complete the construction of Phase 1, despite their agreement to provide construction financing for Phase 2. As a result, the Company has been required to consider restructuring options to generate a plan to stabilize and ensure the continuation of operations and coordinate the completion of Phase 1 of the Everwood Project.

#### **Intended Restructuring Approach**

21. Further to professional advice, the Company's management concluded that a restructuring of the Everwood Project through the NOI proceedings would allow recovery of more value for stakeholders – including Envision, the Everwood Project's trade creditors, suppliers, and the Company's equity holders – than a liquidation scenario.
22. Accordingly, on March 26, 2026, the Proposal Trustee filed an NOI on behalf of the Company.
23. While the Company is in the early stages of those proceedings, its primary goal at this time is the completion of construction of Phase 1 of the Everwood Project and the sale of its units. The Company has the most familiarity with the planned development and its features. A process, managed by the Company with the most familiarity with the planned development and its features (with the supervision and assistance of the Proposal Trustee) will likely achieve the best result for stakeholders. Those stakeholders include the pre-sale purchasers, who are prejudiced by any further delay to the construction and completion of Phase 1. For example:

- (a) I am advised by Nick Shlyakhvb, broker with Alltrust Mortgage Solutions Inc., that the purchaser for Building 1 - Unit 6's mortgage financing is valid to only June 4, 2026;
  - (b) all purchasers have already, to varying extents, reorganized their lives in anticipation of the earlier completion of the project.
24. The Company is currently working with its real estate brokers to continue its marketing strategy for the completed and to-be-constructed units. To that end, it filed an amended disclosure statements with the BC Financial Services Authority on March 27, 2026, to permit their continued marketing.
25. The Company anticipates returning to court in April 2026 to seek the approval of vesting orders and a proposal (or an extension to permit it to finalize the same) but require interim financing to ensure:
- (a) the continuation of construction in order to remain on track for the completion of the construction of Phase 1 in accordance with the terms of its existing pre-sale contracts, and otherwise to avoid a prolonged process and ensure the maximization of the value of the Everwood Project; and
  - (b) the continued ability to pay critical costs required to protect the Everwood Project and its stakeholders (e.g., insurance, strata costs), which the Company does not otherwise have the funds to maintain.

#### **DIP Financing and DIP Charge**

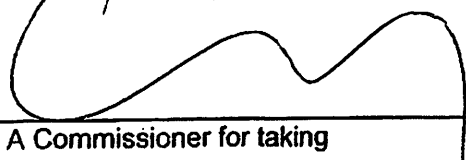
26. Before and following the filing of the NOI, the Company has:
- (a) worked with the Proposal Trustee to evaluate its financial position and restructuring options, including to build a cash flow in respect of the Everwood Project dated March 27, 2026. Attached and marked as Exhibit "G" to this Affidavit is a true copy of that projected cashflow; and
  - (b) arranged for interim debtor-in-possession ("DIP") financing.
27. As appears from the projected cashflow at Exhibit "G", the Everwood Project is currently cashflow negative. This is normal for a development project where costs are incurred almost entirely at the front end before revenues are achieved on completion. The Project is expected to need \$477,379 in new funding as at March 31, 2026, and \$2,404,860 as at July 31, 2026, which latter costs are projected to be all those necessary to bring Phase 1 of the Everwood Project to completion (though the Company's goal is to limit costs and accordant borrowings in completing Phase 1).
28. To advance the restructuring, keep the Company current with its post-filing creditors, and to provide for the advancement of the Everwood Project on that schedule, additional financing is therefore necessary. Maynbridge Capital Inc. has offered to extend interim

DIP financing, the material terms of which appear in a term sheet dated March 30, 2026, and are as follows:

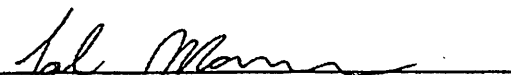
- (a) **Maximum loan amount:** \$2,400,000;
- (b) **Interest:** 12%, calculated daily and payable monthly in arrears on the first business day of each month;
- (c) **Term:** 6 months;
- (d) **Conditions:** among other things, court approval of the DIP financing and a court order creating a super-priority charge against the assets, properties and undertakings of the Company.

- 29. Attached and marked as **Exhibit "H"** to this Affidavit is a true copy of the term sheet dated March 30, 2026.
- 30. As partially explained above, this interim DIP financing is vital for the Company and its stakeholders. If approved, the Company will be able to complete Phase 1 construction and provide units for current firm offers to close. The completion and sale of the to-be-marketed projects will see Envision's Phase 1 loan will be paid back in full. Alternatively, if the Company continues any longer without the financing it needs to complete Phase 1, Envision's interest will continue accruing; the Company's post-filing obligations risk going unpaid; and current buyers will eventually be able to rescind their contracts, which case the Company anticipates that it will be very difficult to find new and replacement buyers.
- 31. To that end, I am advised by Craig Munro, licensed-insolvency trustee and managing director at FTI Consulting Canada Inc., that the Proposal Trustee is supportive of the DIP financing and the corresponding charge.
- 32. I was not physically present before the commissioner of this affidavit, but was present before the commissioner by video technology, and this affidavit was commissioned following the process for remote commissioning of affidavits as set out in Appendix A to the Law Society of British Columbia's Code of Professional Conduct.
- 33. I acknowledge the solemnity of making this affidavit and the consequences of making an untrue statement herein.

AFFIRMED BEFORE ME at Vancouver, )  
British Columbia, on March 31, 2026 )

  
\_\_\_\_\_)  
A Commissioner for taking )  
Affidavits for British Columbia )

**WILLIAM E. STRANSKY**  
*Barrister & Solicitor*  
**MCEWAN COOPER KIRKPATRICK LLP**  
900 – 980 Howe Street  
Vancouver, BC V6Z 0C8  
(604) 283-8065

  
\_\_\_\_\_)  
Talbir Mann

**This is Exhibit "A" referred to in Affidavit #1 of Talbir Mann made before me on this 31st day of March, 2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**



## BC Company Summary

For  
**1281805 B.C. LTD.**

**Date and Time of Search:** March 27, 2026 02:27 PM Pacific Time

**Currency Date:** February 09, 2026

### ACTIVE

**Incorporation Number:** BC1281805

**Name of Company:** 1281805 B.C. LTD.

**Business Number:** 791322266 BC0001

**Recognition Date and Time:** Incorporated on December 30, 2020 03:55 PM Pacific Time

**In Liquidation:** No

**Last Annual Report Filed:** December 30, 2024

**Receiver:** No

### REGISTERED OFFICE INFORMATION

**Mailing Address:**  
 602 - 13737 96 AVENUE  
 SURREY BC V3V 0C6  
 CANADA

**Delivery Address:**  
 602 - 13737 96 AVENUE  
 SURREY BC V3V 0C6  
 CANADA

### RECORDS OFFICE INFORMATION

**Mailing Address:**  
 602 - 13737 96 AVENUE  
 SURREY BC V3V 0C6  
 CANADA

**Delivery Address:**  
 602 - 13737 96 AVENUE  
 SURREY BC V3V 0C6  
 CANADA

### DIRECTOR INFORMATION

**Last Name, First Name, Middle Name:**

Ma, Harry

**Mailing Address:**  
 974 - WEST 22ND AVENUE  
 VANCOUVER BC V5Z 2A2  
 CANADA

**Delivery Address:**  
 974 - WEST 22ND AVENUE  
 VANCOUVER BC V5Z 2A2  
 CANADA

**Last Name, First Name, Middle Name:**

Mann, Talbir

**Mailing Address:**

21866 RIVER ROAD  
MAPLE RIDGE BC V2X 2C1  
CANADA

**Delivery Address:**

21866 RIVER ROAD  
MAPLE RIDGE BC V2X 2C1  
CANADA

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NO OFFICER INFORMATION FILED AS AT December 30, 2024.

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**This is Exhibit "B" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24<sup>5</sup>, 12:49:34

Requestor: William Stransky

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

**Title Issued Under** SECTION 189 LAND TITLE ACT

**Land Title District** NEW WESTMINSTER  
Land Title Office NEW WESTMINSTER

**Title Number** JA10025  
From Title Number CA9659660

**Application Received** 2025-06-03

**Application Entered** 2025-06-03

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: 1281805 B.C. LTD., INC.NO. BC1281805  
#200 - 8120 - 128TH STREET  
SURREY, BC  
V3W 1R1

**Taxation Authority** Maple Ridge, City of

**Description of Land**  
Parcel Identifier: 031-618-511  
Legal Description:  
LOT 1 SECTION 28 TOWNSHIP 12 NEW WESTMINSTER DISTRICT PLAN EPP113344  
EXCEPT PHASE 1 STRATA PLAN EPS11476

**Legal Notations**

HERETO IS ANNEXED EASEMENT X29319 OVER PLAN 67619 OF LOT 15  
EXCEPT THE WEST HALF PLAN 2637  
AS TO PART FORMERLY W 1/2 LOT 15 SE 1/4 SEC 28 TP  
12 NWD PLAN 2637 EXCEPT PLAN EPP113340

HERETO IS ANNEXED EASEMENT X29320 OVER PART (PLAN 67619) OF THE  
WEST HALF OF LOT 15 PLAN 2637  
AS TO PART FORMERLY THE E 1/2 OF LOT 15 SE 1/4 SEC  
28 TP 12 NWD PLAN 2637 EXCEPT PLAN EPP113340

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL  
GOVERNMENT ACT, SEE CB1124244

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24<sup>6</sup>, 12:49:34

Requestor: William Stransky

PHASED STRATA PLAN DECLARATION (FORM P) FILED CB2058468  
2025-05-23

HERETO IS ANNEXED EASEMENT CB2058472 OVER THE COMMON  
PROPERTY STRATA PLAN EPS11476

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL  
GOVERNMENT ACT, SEE CB2563854

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 14 OF THE LOCAL  
GOVERNMENT ACT, SEE CB468740

**Charges, Liens and Interests**

Nature:	EASEMENT
Registration Number:	X29319
Registration Date and Time:	1984-03-22 13:34
Remarks:	INTER ALIA PLAN 67619 APPURTENANT TO THE WEST HALF OF LOT 15 PLAN 2637 AS TO PART FORMERLY THE E 1/2 OF LOT 15 SE 1/4 SEC 28 TP 12 NWD PLAN 2637 EXCEPT PLAN EPP113340

Nature:	EASEMENT
Registration Number:	X29320
Registration Date and Time:	1984-03-22 13:34
Remarks:	INTER ALIA PLAN 67619 APPURTENANT TO LOT 15 EXCEPT THE WEST HALF PLAN 2637 AS TO PART FORMERLY W 1/2 LOT 15 SE 1/4 SEC 28 TP 12 NWD PLAN 2637 EXCEPT PLAN EPP113340

Nature:	COVENANT
Registration Number:	CA9659661
Registration Date and Time:	2022-01-21 11:06
Registered Owner:	CITY OF MAPLE RIDGE
Remarks:	INTER ALIA

Nature:	COVENANT
Registration Number:	CA9659663
Registration Date and Time:	2022-01-21 11:06
Registered Owner:	CITY OF MAPLE RIDGE
Remarks:	INTER ALIA

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24<sup>7</sup>, 12:49:34

Requestor: William Stransky

Nature: COVENANT  
Registration Number: CA9659666  
Registration Date and Time: 2022-01-21 11:06  
Registered Owner: CITY OF MAPLE RIDGE  
Remarks: INTER ALIA

Nature: COVENANT  
Registration Number: CA9659673  
Registration Date and Time: 2022-01-21 11:06  
Registered Owner: CITY OF MAPLE RIDGE  
Remarks: INTER ALIA

Nature: MORTGAGE  
Registration Number: CB737591  
Registration Date and Time: 2023-07-06 10:55  
Registered Owner: FIRST WEST CREDIT UNION  
INCORPORATION NO. F156  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CB737592  
Registration Date and Time: 2023-07-06 10:55  
Registered Owner: FIRST WEST CREDIT UNION  
INCORPORATION NO. F156  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CB1091859  
Registration Date and Time: 2023-12-21 14:10  
Registered Owner: FORTISBC ENERGY INC.  
INCORPORATION NO. BC1023718  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CB1518201  
Registration Date and Time: 2024-08-15 13:19  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CB1518202  
Registration Date and Time: 2024-08-15 13:19  
Registered Owner: TELUS COMMUNICATIONS INC.  
INCORPORATION NO. BC1101218  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24<sup>8</sup>, 12:49:34

Requestor: William Stransky

Nature: EASEMENT  
Registration Number: CB2058473  
Registration Date and Time: 2025-05-23 10:43  
Remarks: APPURTENANT TO THE COMMON PROERTY STRATA PLAN  
EPS11476 AND STRATA LOTS 1 TO 21 STRATA PLAN  
EPS11476

Nature: PRIORITY AGREEMENT  
Registration Number: CB2058474  
Registration Date and Time: 2025-05-23 10:43  
Remarks: GRANTING CB2058473 PRIORITY OVER CB737591 AND  
CB737592

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2584959  
Registration Date and Time: 2026-01-23 16:36  
Registered Owner: FAST FROST HEATING & AIR CONDITIONING LTD.  
INCORPORATION NO. BC0797555  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: BB5011575  
Registration Date and Time: 2026-02-03 09:21  
Registered Owner: AMAR EXTERIORS LTD.  
INCORPORATION NO. BC0965040

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2607445  
Registration Date and Time: 2026-02-04 21:10  
Registered Owner: FIBRETECH DISTRIBUTORS INC.

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2619664  
Registration Date and Time: 2026-02-11 16:58  
Registered Owner: DIAMOND CABINETS LTD.  
INCORPORATION NO. BC0882275  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2620949  
Registration Date and Time: 2026-02-12 11:11  
Registered Owner: BOYAL ENTERPRISES LTD.  
INCORPORATION NO. BC0751786  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24<sup>9</sup>, 12:49:34  
Requestor: William Stransky

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2626184  
Registration Date and Time: 2026-02-17 12:21  
Registered Owner: AMAR EXTERIORS LTD.  
INCORPORATION NO. BC0965040  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: HB20005  
Registration Date and Time: 2026-02-19 13:49  
Registered Owner: ACTIVE DOORS & MOULDINGS LTD.  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: WX5012819  
Registration Date and Time: 2026-03-04 12:08  
Registered Owner: OMAX CONCRETE & PUMPING LTD.  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2657988  
Registration Date and Time: 2026-03-04 16:29  
Registered Owner: PARAGON REBAR & DAMPPROOFING (2010) LTD.  
INCORPORATION NO. BC0879304  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2657997  
Registration Date and Time: 2026-03-04 16:34  
Registered Owner: MILLWOOD FINISHING LTD.

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB2663116  
Registration Date and Time: 2026-03-06 15:03  
Registered Owner: WEST HARBOUR ELECTRIC LTD.  
INCORPORATION NO. BC0904620  
Remarks: INTER ALIA

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: HB20797  
Registration Date and Time: 2026-03-12 15:40  
Registered Owner: SECURIFORCE SECURITY SERVICES LTD.

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**TITLE SEARCH PRINT**

File Reference: Wood Lock

2026-03-24, 12:49:34<sup>10</sup>  
Requestor: William Stransky

**Pending Applications**

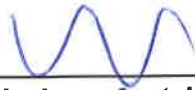
Parcel Identifier:

031-618-511

Application Number/Type:

CB2681700 CLAIM OF BUILDERS LIEN

**This is Exhibit "C" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**

**1281805 B.C. Ltd - Vendor List**  
As of March 24, 2026

<b>Vendor Name</b>	<b>Mailing Address</b>	<b>Company issued to</b>	<b>Amount</b>
Active Earth Engineering Ltd.	#304 - 2600 Gladys Avenue Abbotsford, BC V2S 0E9	1281805 BC Ltd	\$3,410.65
Aplin & Martin Consultants Ltd.	201 12448 82 Ave Surrey, BC, V3W3E9	1281805 BC Ltd	\$21,328.60
Aqua Coast Engineering Ltd.	206-2780 Barnet Hwy, Coquitlam, BC V3B 7C1	1281805 BC Ltd	\$8,667.75
Atelier Pacific Architecture Inc	101-255 W 7th Ave, Vancouver, BC V5Y 1M8	1281805 BC Ltd	\$58,239.40
Bennett Land Surveying Ltd.	205-3993 Henning Dr, Burnaby, BC V5C 6P7	1281805 BC Ltd	\$7,941.25
Blueridge Engineering Ltd	102-3993 Henning Dr, Burnaby, BC V5C 6P7	1281805 BC Ltd	\$9,909.90
Bond Reproductions Inc.	440 W Pender St, Vancouver, BC V6B 1T5	1281805 BC Ltd	\$2,118.52
Core Creative & Strategy Inc.	10731 CANSO CR. RICHMOND BC V7E 5B6	1281805 BC Ltd	\$2,508.27
ECI Software Solutions Canada Inc.	302-2992 Glen Dr, Coquitlam, BC V3B 0J3	1281805 BC Ltd	\$1,335.63
Ennova Structural Engineers Inc	213-3823 Henning Dr. Burnaby, B.C. Canada V5C 6P3	1281805 BC Ltd	\$11,029.41
Fastsigns Coquitlam	1100 Lansdowne Drive, Unit i Coquitlam, BC V3B 5E2	1281805 BC Ltd	\$482.59
Gager Electrical Consultants Ltd.	20689 56th AVENUE, LANGLEY, B.C. V3A-3Y9	1281805 BC Ltd	\$2,052.49
GeoPacific Consultants Ltd.	1779 W 75th Ave, Vancouver, BC V6P 6P2	1281805 BC Ltd	\$2,644.41
Jennis Design Co.	9311 163A Street, SURREY, BRITISH COLUMBIA, V4N 3C6	1281805 BC Ltd	\$472.50
Koome Urban Forestry	1163 The High St Unit 305, Coquitlam, BC V3B 7W2	1281805 BC Ltd	\$3,646.90
Mellof Excavating & Landclearing Ltd.	11192 286th St. Maple Ridge, BC V2W 1L7	1281805 BC Ltd	\$4,824.15
Owners, Strata Plan EPS 11476	c/f REMI Realty Inc, Suite 202, 8047 199th Street, Langley BC V2Y 0E2	1281805 BC Ltd	\$30,356.20
Red Five Creative	2260 Dauphin Place, Burnaby, BC, V5B4H1	1281805 BC Ltd	\$1,312.50
The Collaborative Design Studio Inc.	68 Clipper St, Coquitlam, BC V3K 6X2	1281805 BC Ltd	\$21,396.74
Turkey's Party Makers Ltd.	17950 55 Ave, Surrey, BC V3S 6C8	1281806 BC Ltd	\$2,224.49
VDZ+A Consulting Inc	PO Box 461 Langley, BC V1M 2R8	1281805 BC Ltd	\$5,548.83
Vertical Bridge HR	1275 W 6th Ave, Vancouver, BC V6H 1A6	1281805 BC Ltd	\$1,795.50
<b>TOTAL</b>			<b>203,246.68</b>

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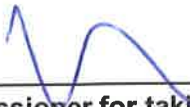
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OK

[LINK TO THE LIENS](#)

Trade/ Supplier	Registered lien	Total Amount	NAME	NUMBER	Trade/Supplier Email	Trade/Supplier Address	Lawyer's Company	Lawyer Contact Email	Lawyer Address
1383604 B C LTD Taiga Landscaping	TRUE	343,119.95	Sat	604-351-2026	sat@taigalandscape.ca	9148 189th Street Surrey V4N 3M6	Devin Cheema Law Corp		202-8434 120th Street Surrey V3W 7S2
Active Doors & Mouldings Ltd	TRUE	94,940.18	Jas	604-720-3998	jasdhalival@activedoors.com	8519 132 St Surrey V3W 4N8			
Amar Exteriors Ltd	TRUE	356,504.50	Manjot	778-866-9066	manjot@amarexteriors.com	19415 78 Ave Surrey V4N 6C7	Baker Newby	AHabit@bakernewby.com	200-2955 Gladwin Road, Abbotsford V2T 5T4
Boyal Enterprises Ltd	TRUE	147,636.00	Charnjit	604-807-1040	csboyal@hotmail.com	324-31935 South Fraser Way, Abbotsford V2T 1V5	RSG Law		1-2838 Garden St, Abbotsford V2T 4W7
Bucks Garage Doors Ltd	TRUE	31,700.75	Lea	604-825-19634	bucks_doors@hotmail.com	9249 202B St Langley V1M 3Y1			
CP Painting Ltd	TRUE	87,254.75	Harjinder	778-385-6176	Harjinder@colourspainting.ca	1931-136A St Surrey BC V4A 9E9	Kearns & Company	Meena Gill	Suite 1101 13737 96 Ave Surrey, V3V 0C6
Diamond Cabinets Ltd	TRUE	178,605.00	Baldev	778-552-9959	diamondcabinet@gmail.com	3-31236 Peardonville Rd, Abbotsford V2T 6K3	RSG Law	navjeet@rsglawyers.ca	1-2838 Garden St, Abbotsford V2T 4W7
Dick's Lumber	TRUE	190,020.13	Greg	6043153769	gregg@dickslumber.com	2580 Gilmore Avenue Burnaby V5C 4T5	McKechnie & Company	gordon@mckechnie.bc.ca	300-1122 Mainland Street Vancouver V6B 5L1
Fast Frost Heating & AC Ltd	TRUE	86,059.96	Parm	778-881-6127	fastfrost@hotmail.com	8279 171 St V4N 0B2			#400-8148 128 St Surrey V3W 1r1
Fibretech Distributors Inc	TRUE	41,402.18	Balkar/Sonny	604-782-5286	rajan@fibretechbc.ca	#103-20316 56 Ave Langley, V3A3Y7	Alkance Lawyers		103-20316 56th Avenue, Langley V3A 3Y7
Lucky Tiles Ltd	TRUE	54,821.44	Sukha	778-855-0700	luckytilesld@gmail.com	14294-110 Avenue Surrey V3R1Z9	Herr Law Group		Unit 211, 15240 56th Avenue, Surrey V3S 5K7
Millwood Finishing Ltd	TRUE	47,391.00	Prince	6047634190	princirooprai@gmail.com	15712 96a Avenue Surrey BC V4N 2T2	Ahuja Litigation Mediation Arbitration	harman@palmalaw.ca	208 - 15272 Croydon Drive Surrey BC V3Z 0Z5
M&N Drywall Ltd	TRUE	73,458.34	Happy	604-825-7700	Hgozal14@gmail.com	12242 98A Avenue Surrey V3V 7S5	Herr Law Group		Unit 211, 15240 56th Avenue, Surrey V3S 5K7
Omax Concrete and Pumping Ltd	TRUE	36,746.75	Onkar	778-929-7263	onkar.rao1@gmail.com	18284 64 Ave Surrey BC V3S 8A7			
(2010) LTD	TRUE	80,755.08	Ricky Power	604-897-8242	paragonrebar@gmail.com	5838 Kettle Crescent E Surrey BC V3S 8R5	Virsa Law Group LLP		#115- 5455 152 st Surrey V3S 5A5
West Harbour Electric	TRUE	89,087.04	Praneel	778-848-3304	Praneel@westharbourelectric.com		Atwal & Associates	Raman S Atwal	#309 - 3211 152 St Surrey, BC V3S 3M1
Securiforce Security Services Ltd	TRUE	13,278.36	Gurtaj Grewal	604-727-6644	admin@securiforce.com	5946 124 St Surrey, B C V3X1X5			
S & B Janitorial Services	TRUE	16,346.75	Baljit	778-246-2001	bains.inderjit@gmail.com	13831 60a Avenue Surrey BC V3X 0H3	Ahuja Litigation Mediation Arbitration		208 - 15272 Croydon Drive Surrey BC V3Z 0Z5
<b>Total Amount</b>		<b>1,939,501.85</b>							

**This is Exhibit "D" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**



June 23, 2023

**PRIVATE AND CONFIDENTIAL**

Wood Lock Developments LTD.,1281826 B.C. LTD.,1280805 B.C. LTD.  
 13450 102 Ave  
 Surrey, BC V3T 5X3

**Re: Offer of Credit**

We are pleased to advise that Envision Financial, a division of First West Credit Union (“the Credit Union”) has approved and hereby offers the loan facilities described below subject to the terms and conditions set forth in this Agreement (“Offer of Credit”). The specific details of those Terms and Conditions are outlined in the following sections:

1. Borrowing Party
2. Credit Facilities
3. Security
4. Fees
5. Other Terms and Conditions
6. Acceptance

Definitions and further particulars are incorporated into this Offer of Credit by reference, including attached Schedules:

- Standard Terms and Conditions – Construction Loan
- Commercial Insurance Requirement

## 1. BORROWING PARTY

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**BORROWER**

**Wood Lock Developments LTD,1281826 B.C. LTD,1280805 B.C.LTD.**

**INDEMNITORS**

Talbir Mann  
 Lawrence Kwok Leung Chan  
 Adrian Phillip Chan

Harry Ma  
 Dennis Tin Tsi Jung

Hello Holdings Ltd  
 Simple Multi Media Solutions Inc.  
 Advanced Marketing Solutions Inc.  
 Black Vintage Media Inc.

## 2. CREDIT FACILITIES (collectively "the Loan")

### CONSTRUCTION LOAN      Loan Amount      \$ 18,150,000 (New)

Use of Funds	Amount	Source of funds	Amount
Land value "As is"	14,600,000.00	FWCU Loan	18,150,000.00
Hard cost	10,206,950.00	Land equity	9,450,000.00
Soft cost	3,963,354.00	Cash equity	4,659,500.00
Contingency	595,495.00		
Interest reserve	2,664,237.00		
Fee	229,500.00		
<b>TOTAL</b>	<b>32,259,500.00</b>	<b>TOTAL</b>	<b>32,259,500.00</b>

Purpose	To finance construction costs of Townhouse project (the "Project") situated at <b>23697 Fern Crescent., Maple Ridge, BC</b> legally described as : LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (the "Lands") in accordance with the Project Budget.
Interest Rate	<b>Prime + 2.00% Variable Rate</b> ( *see Definitions of "Prime" and "Variable Rate" in the attached Standard Terms and Conditions Schedule)
Term	<b>24 Months.</b> The "Construction Loan" will be for a period of twenty-four [24] months, maturing on [30/06/2025] (the "Balance Due Date"). <b>Extension - 6 Months.</b> Agreement to extend the Facilities beyond the "Balance Due Date" is at the <u>discretion of the Credit Union</u> . Consideration will be based on additional due diligence and will be granted based in six month increments unless otherwise noted.
Payments	<b>Interest Only.</b> Accrued interest is payable on the first day of every month and will be charged to the Borrower's account at the Credit Union when the same become payable.
Repayment	If there has been no breach or default under this Offer of Credit or the Security, the Credit Union will permit the sale of Units by the Borrower and will grant a partial release of the Mortgage against each sold Unit upon receipt of the greater of:  (a) 100% of the sale proceeds of units less real estate commissions, reasonable closing costs and applicable taxes;
Prepayment	The Borrower has the right, at any time when not in default hereunder or under the Securities, to prepay the whole or any portion of the balance outstanding under this Agreement without notice or bonus provided that any such payments will be applied first to interest accrued to the date of payment and second to principal.

### 3. SECURITY

All security that has been delivered to the Credit Union and is set forth as security in this Agreement, shall remain in full force and effect, is expressly reserved by the Credit Union and unless expressly indicated otherwise, shall apply in respect of all obligations of the Borrower under the Facility.

Repayment of the Loan and interest and Other Amounts will be secured by:

#### LOAN AGREEMENTS

- **Commercial Loan Agreement – Form 1184** - signed by the Borrower [and accompanied by the signed related Construction Loan Directors Resolution – Form 1262 - in the case of a Corporate Borrower] (**New**)

#### REAL ESTATE

- **CreditMaster Mortgage and Assignment of Rents** signed by the Borrower creating a first fixed charge over 23697 Fern Cres, Maple Ridge V4R 2S4. Legally described as: LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. and securing Obligations of all the Borrower. It may be advanced and re-advanced at the discretion of the Credit Union; [NEW]

#### COLLATERAL

- **Commercial Security Agreement** signed by the Borrower creating a first ranking security interest in all of its present and after-acquired property; [NEW]
- **Commercial Security Agreement** from the **1281826 BC Ltd** creating a first ranking security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** from the **Wood Lock Developments Ltd** creating a first ranking security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** from the **1280805 BC Ltd** creating a first ranking security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** signed by the Indemnitor **Hello Holdings Ltd.** creating a general security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** signed by the Indemnitor **Black Vintage Media Inc.** creating a general security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** signed by the Indemnitor **Multimedia Solutions Inc.** creating a general security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement** signed by the Indemnitor **Advanced Marketing Solutions Inc.** creating a general security interest in all its present and after-acquired property (NEW)
- **Commercial Security Agreement – Goods/Specific** signed by the Borrower assigning Credit Union term deposits in the amount of \$2,664,237 and all subsequent renewals (Interest Reserve). [ NEW]

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**OTHER INSTRUMENTS**

- **Debt Service and Cost Overrun** Agreement signed by Talbir Mann, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Harry Ma, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Lawrence Kwok Leung Chan, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Dennis Tin Tsi Jung, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Phillip Chan, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Hello Holdings Limited, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Black Vintage Media Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Advanced Marketing Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Debt Service and Cost Overrun** Agreement signed by Simple Multi Media Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. (NEW)
- **Assignment and Postponement of Shareholder Loans** by Wood Lock Developments Ltd all shareholder's loans owed by the Borrower to the Indemnitor.
- **Assignment and Postponement of Shareholder Loans** by 1281826 BC Ltd all shareholder's loans owed by the Borrower to the Indemnitor.
- **Assignment and Postponement of Shareholder Loans** by 1280805BC Ltd all shareholder's loans owed by the Borrower to the Indemnitor.

- **Assignment of building permits, plans and material contracts from Wood Lock Developments Ltd. (NEW)**
- **An assignment of Credit Union deposits and shares is to be obtained as part of the security package; (NEW) CUMIS Insurance Waiver** for owners and indemnitors confirming that the principals have agreed to waive creditor insurance on the Loans.

## INDEMNITIES

- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Talbir Mann indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Borrower.
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Harry Ma indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Borrower
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Lawrence Kwok Leung Chan indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Borrower
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Dennis Tin Tsi Jung indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Borrower
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Adrian Phillipe Chan indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Borrower
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Hello Holdings Ltd.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Borrower; accompanied by the signed related Directors Resolution.
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Black Vintage Media Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Borrower; accompanied by the signed related Directors Resolution.
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Simple Multi Media Solutions Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Borrower; accompanied by the signed related Directors Resolution
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Advanced Marketing Solutions Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Borrower; accompanied by the signed related Directors Resolution
- **Environmental Indemnity Agreement** from Talbir Mann, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity Agreement** from Harry Ma, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)

- **Environmental Indemnity** Agreement from Lawrence Kwok Leung Chan, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity** Agreement from Dennis Tin Tsi Jung, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity** Agreement from Adrian Phillipe Chan, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity** Agreement from Hello Holdings Limited , (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity** Agreement from Black Vintage Media Solutions Inc , (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511.(NEW)
- **Environmental Indemnity** Agreement from Advanced Marketing Solutions Inc, (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)
- **Environmental Indemnity** Agreement from Simple Multi Media Solutions Inc, (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (NEW)

#### 4. FEES

Application Fee	<b>\$229,500;</b> Paid by the Borrower to the Credit Union to compensate for the time, effort and expenses incurred to conduct initial due diligence for the credit facility request. The Application Fee is refundable if the Credit Union is unable to approve financing as materially presented in the accepted Term Sheet.
Discharge Fee	<b>\$250 per unit.</b> The discharge fee is payable by the Borrower and is due upon delivery of the discharge to the Borrower.
Letter of Credit Fee	<b>1.00% per annum</b> Minimum \$250 payable in advance and non-refundable should the Letter of Credit be cancelled or redeemed prior to maturity.
Extension Fee	<b>\$181,500. (1.0 % of Outstanding Authorization.)</b> Should the Credit Union agree to extend, the fee is calculated on the balance and unused funds at the "Balance Due Date" for a further six months.
Annual Review Fee	<b>\$1,000.00;</b> Covers costs and expenses related to the review of financial affairs and confirmation of satisfactory credit conditions. This amount can vary based on the complexity of the credit facility.

## 5. OTHER TERMS AND CONDITIONS

### CONDITIONS PRECEDENT

The Borrower must deliver to the Credit Union confirmation of completion and registration of securities as outlined in Sections 3.3 and 3.4 of the attached "Schedule A" prior to the initial Loan advance. Further conditions (to the satisfaction of the Credit Union) are outlined as follows:

Tranche 1 - INSURANCE COVERAGE - provide confirmation of insurance coverage and annual renewals as outlined in Schedule "A";

Tranche 1- A CU authorized PQS, is to be formally appointed as project monitor with a formalized scope of work;

Tranche 1- A Letter of Direction is to be signed by the Borrower and all indemnitors to direct any forfeited deposits to the Credit Union. Such deposits are to be applied at the Credit Union's sole discretion towards principal and/or interest payments;

Tranche 1 - CONSTRUCTION CONTRACTS - Copies of all CCDC 2 - Fixed price contracts between the Wood Lock Developments Ltd and 1281805 BC Ltd to be confirmed by the PQS;

Tranche 2- 75% of hard costs budget to be fixed price (less indirect & Gen Req) between the sub trades and the Wood Lock Development to be confirmed by PQS;

Tranche 1 - Receipt & satisfactory review by the CU's solicitor of the ownership structure, Bare trust agreements and other agreements governing this relationship, to ensure our security is perfected;

Tranche- 3 - PRE-SALES -Confirmation of Gross Pre-sales value of \$11,798,000 in Phase-1. Pre-sales are to be bona fide arms-length sales with minimum 10% deposits to be held in trust. Pre-sales for multi-unit purchasers or corporate purchasers are to be bona fide arms-length sales with 15% deposits held in trust.;

A Letter of Direction is to be signed by the Borrower and all indemnitors to direct any forfeited deposits to the Credit Union. Such deposits are to be applied at the Credit Union's sole discretion towards principal and/or interest payments;

PLANS AND SPECIFICATIONS - to be approved by the Credit Union;

LAND USE, PERMITS AND ZONING APPROVALS - evidence satisfactory to the Credit Union that all land use, zoning and other regulatory requirements have or can be complied with and that all required building or development permits for the Project have been issued;

Tranche 1 - The project's budget is to be reviewed and approved by the PQS. Any increases in the budget shall be financed from cash equity;

Tranche 1- Payout the existing MTG outstanding of \$5,150,000 (Guards Capital and 1227056 BC Ltd) + EF Fee of \$229,500 + IR for 6 month \$683,936 = \$6,063,380

**CONDITIONS ONGOING**

The following information is to be provided in support of the credit facilities:  
**FINANCIAL STATEMENTS** - for Corporate Borrowers, Corporate Shareholders or Corporate Indemnitors are to be provided within 120 days of the fiscal year end. By signing this agreement, those Parties authorize the Credit Union to obtain the statements directly from their accountant/accounting firm if not provided within that time frame. These parties will provide any further authorization that may be required by the accountant/accounting firm in order to give effect to this provision. Statements are to be at a minimum level of – Compilation Engagement;

**INSURANCE COVERAGE** - The Borrower must maintain insurance for pledged security as outlined in the attached Schedule. Confirmation of the Policy Renewal is to be provided with 30 days of the maturity date;

**INTEREST RESERVE** - An interest reserve account will be drawn from the budget amount and held at the Credit Union for the term of the loan. The initial reserve is required in the amount of \$2,664,237. Requests to replenish such amounts may be called for from time-to-time. Accrued monthly interest will be drawn from the account.

**DRAW ADVANCES:** Draws shall be advanced in accordance with the details outlined in PART 3 of the Standard Terms and Conditions - Construction Loan attached to this Offer of Credit;

**CONFIRMATION OF PAID PROPERTY TAXES** - for all real estate security are to be provided within 60 days of annual payment due date;

The annual review date is March 01, 2025 and on going;

Extension fee of 1% is to be charged on the outstanding & un-advanced portion of the loan beyond the initial term of 24 months;

Partial discharges of mortgage are subject to the Credit Union receiving 100% of net sales proceeds for each unit sold;

The Interest Reserve will be drawn on 6 month increments. PQS will be made aware of this structure and to be captured in the report;

Monthly billings and requests for progress advances are to be reviewed and approved by the PQS appointed by the credit union;

Interest Reserve is to be replenished from the construction budget. In the event of a shortfall, borrower is to replenish the interest reserve account;

A CU authorized PQS, is to be formally appointed as project monitor with a formalized scope of work;

The monthly PQS report is to include an update to the construction schedule and a monthly update from the project manager;

Tranche 2- Total of \$4,682,262 to cover the servicing fee, soft cost and construction of 4 units on spec based on PQS cost to complete;

All pre-sale deposits to be held at lawyer's trust account with Envision Financials;

The project's budget is to be reviewed and approved by the PQS. Any increases in the budget shall be financed from cash equity;

**Tranche- 3** will be subjected to Cost to complete and borrower to provide confirmation of Gross Pre-sale value of **\$11,798,000** in Phase-1. Pre-sales are to be bona fide arms-length sales with minimum 10% deposits to be held in trust. Pre-sales for multi-unit purchasers or corporate purchasers are to be bona fide arms-length sales with 15% deposits held in trust.;

A Letter of Direction is to be signed by the Borrower and all indemnitors to direct any forfeited deposits to the Credit Union. Such deposits are to be applied at the Credit Union's sole discretion towards principal and/or interest payments;

## COVENANTS

The Borrower covenants and agrees with the Credit Union, that, so long as any portion of the Loan(s) or liabilities of the Borrower under this Offer of Credit letter remain outstanding, it shall not, without the prior written consent of the Credit Union:

Upon registration of the Credit Union's interest on security assets, the Borrower shall not permit or engage in activity that provides for subsequent charges to be registered on those assets.

Borrower to use Envision as their operating account for the project

## TERMINATION

At the Credit Union's option, its agreement to advance the Construction Loan may be cancelled. All monies advanced together with interest and costs will be due and payable if:

- |              |  |
|--------------|--|
| Commencement | Construction of the Project is not commenced within 90 days of acceptance of the Credit Union's offer herein by the Borrower.                            |
| Registration | The mortgage is not executed and registered and the first advance made within 120 days of acceptance of the Credit Union's offer herein by the Borrower. |

## COSTS & EXPENSES

The Borrower agrees to pay the Credit Union all fees stipulated in this Agreement and all fees relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Credit Union in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement, or protection of its rights in connection with this Agreement and the Security.

The Borrower shall indemnify and hold the Credit Union harmless against any loss, cost or expense incurred by the Credit Union if the Loan is repaid or prepaid other than on its Maturity Date. The determination by the Credit Union of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Credit Union in liquidating or redeploying deposits acquired to make or maintain any facility.

**ASSET INSURANCE**

**All Risk Insurance Assignment / Endorsements** will be provided as outlined in the attached Schedule on all of the Borrower's real and personal property including, without limitation, lands, buildings, equipment and inventory owned by the Borrower, showing the Credit Union as first loss payable by way of standard mortgage endorsement.

**CREDITOR INSURANCE**

**Waiver** - The Borrower and Indemnitors acknowledge that Creditor Insurance is available for insurance protection of the detailed facilities and confirms their election to not apply for that insurance protection by signing this Offer of Credit.

**SERVICE CHARGES**

Service charges are as per the posted Credit Union Service Fee Guide and amended from time to time.

**SHARES REQUIRED**

The Borrower will purchase \$5.00 of equity shares in the capital of the Credit Union and will maintain that investment during the currency of this Agreement.

## 6. ACCEPTANCE

Upon acceptance, loan agreements and security documents will be prepared in accordance with the Terms and Conditions of the Offer of Credit. Arrangements will be made for signature, completion and execution of the documents so that the Loan can be funded as outlined.

If the provisions of this Offer of Credit meet with your approval, please sign the Borrower Acceptance and return a copy of this Agreement together with the Commitment Fee noted above to the Credit Union on or before 4:00 p.m. **on July 23, 2023**, at which time the Credit Union's offer, unless accepted, will lapse and terminate.

Loans are expected to be funded/advanced/issued within 90 days of the Offer of Credit issuance date. Funding date requests that are past the 90-day period must be reviewed and authorized by the Credit Union.

Yours truly,  
Envision Financial, a division of **FIRST WEST CREDIT UNION**

By its authorized signatories:

\_\_\_\_\_  
Don Abeywardena  
Snr. Commercial Banking Advisor

\_\_\_\_\_  
Robert Deol  
Regional Manager Commercial Banking-North Delta

**BORROWER ACCEPTANCE:**  
**Wood Lock Developments LTD, 1281826 B.C. LTD., 1280805 B.C. LTD**  
We have the authority to bind the Borrower

\_\_\_\_\_  
Authorized Signatory  
Talbir Mann

**INDEMNITOR ACCEPTANCE:**

\_\_\_\_\_  
Talbir Mann

\_\_\_\_\_  
Harry Ma

\_\_\_\_\_  
Lawrence Kwok Leung Chan

\_\_\_\_\_  
Dennis Tin Tsi Jung

\_\_\_\_\_  
Adrian Phillipe Chan

**CORPORATE INDEMNITOR 1:**

**Hello Holdings Ltd.**

We have the authority to bind the Indemnitor

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Authorized Signatory  
Harry Ma

**CORPORATE INDEMNITOR 2:**

**Black Vintage Media Inc.**

We have the authority to bind the Borrower.

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Authorized Signatory  
Lawrence Kwok Leung Chan

**CORPORATE INDEMNITOR 3:**

**Simple Multi Media Solutions Inc.**

We have the authority to bind the Borrower.

---

Authorized Signatory  
Dennis Tin Tsi Jung

**CORPORATE INDEMNITOR 4:**

**Advanced Marketing Solutions Inc.**

We have the authority to bind the Borrower.

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Authorized Signatory  
Adrian Phillipe Chan

## STANDARD TERMS AND CONDITIONS - CONSTRUCTION LOAN

### PART 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions - In this Agreement, unless the context otherwise requires:

"Agreement" means these Standard Terms and Conditions - Construction Loan and the letter to which they are attached as the same may be amended from time to time and the expression "hereof", "herein", "hereto", "hereunder", and "hereby", and similar expressions refer to this Agreement and not to any particular provision;

"Business Day" means each day Monday through Friday inclusive other than a day which is a statutory holiday in British Columbia;

"Compounding Frequency" is monthly unless otherwise stated in the Offer of Credit or Loan Agreements.

"Construction Contracts" means all contracts between the Borrower and other persons relating to the construction of the Project;

"CreditMaster® Mortgage" means a mortgage in favour of the Credit Union incorporating Standard Mortgage Terms as Part 2 thereof and registered or to be registered in the applicable Land Title Office;

"Event of Default" means an event described in section 8.1;

"Inspector" means the quantity surveyor, engineer or other professional appointed by the Borrower and approved by the Credit Union who will advise the Borrower on the progress of construction of the Project;

"Other Amounts" means any other amounts that are payable by the Borrower to the Credit Union under this Agreement other than principal of the Construction Loan and interest thereon;

"Plans" means the plans for the Project;

"Prime Rate" means that rate of interest, regardless of compounding frequency, designated by the Credit Union from time to time as the reference rate to be used to determine the rate of interest to be charged on variable rate Canadian dollar loans made by the Credit Union (or if at any one time more than one such rate is so designated, the higher or highest of such rates as the case may be);

"Project Budget" means the budget for the Project;

"Project Costs" means all costs incurred by the Borrower in connection with the Project including

- Costs of professional advisors (including architects, engineers and lawyers);
- Construction costs;
- Interest on money borrowed to pay Project Costs;
- Costs of insuring the Project;
- Advertising and sales promotion costs; and
- Land acquisition costs;

**But specifically, not including any of the following:**

- Borrower's profit;
- Repayment of borrowed monies;
- Return of capital or any return of equity;
- Payment of any bonus to any person;
- Payment of wages or salary to any shareholder or director of the Borrower except as specifically authorized in writing by the Credit Union;
- Payments of any nature or kind (whether pursuant to a contract or otherwise) to a person not at arm's length with the Borrower, except as specifically agreed to in writing by the Credit Union;

"Property" means all of the undertaking, property and assets of the Borrower subject to the Securities;

"Securities" means the Mortgage together with any and all other security documents to be provided by the Borrower to the Credit Union and described in the section entitled "Security" in the letter part of this Agreement and in section 2.1;

"Security Interests" means the security interests in favour of the Credit Union created by this Agreement and the Securities;

"Specifications" means the specifications for the Project.

- 1.2 **Headings** - The headings herein are inserted for convenience of reference only and will not affect the construction or interpretation of this Agreement.
- 1.3 **Governing Law** - This Agreement will be governed by, and construed in accordance with, the laws of the Province of British Columbia.
- 1.4 **Submission to Jurisdiction** - The Borrower submits to the jurisdiction of the Courts of the Province of British Columbia and agrees to be bound by any suit, action or proceeding commenced in such Courts and by any order or judgment resulting from such suit, action or proceeding, provided however that the foregoing will in no way limit the right of the Credit Union to commence suits, actions, or proceedings based on this Agreement or any of the Securities in any jurisdiction.
- 1.5 **Invalidity of Any Provision** - If any covenant, obligation or provision contained in this Agreement will be invalid or unenforceable, the remainder of this Agreement will not be affected thereby and each covenant, obligation or provision of this Agreement will separately be valid and enforceable to the fullest extent permitted by law.
- 1.6 **Conflict with Other Documents** - If the provisions of the Securities or any of them conflict with, or are inconsistent with, the provisions of this Agreement, the provisions of this Agreement will prevail.
- 1.7 **Certificate of Officer of Credit Union** - A certificate signed by any officer (including a Branch Manager) of the Credit Union stating the Prime Rate which applied on any day or during any period will be conclusive as to the respective rate which applied on that day or during that period, as the case may be, without further proof.
- 1.8 **Amendments** - This Agreement may only be amended from time to time in writing and any such amendment may be evidenced by memoranda or letters signed by an authorized officer of the respective parties without the necessity of such amendment being executed under seal.
- 1.9 **Counterparts** - This Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and such counterparts together will constitute one and the same agreement.
- 1.10 **Joint Obligations** - If more than one person constitutes the Borrower the agreements of, and all obligations and covenants to be performed and observed by, the Borrower hereunder will be the joint and several obligations and covenants of each of the persons comprising the Borrower and any request or authorization given to the Credit Union by any of the persons comprising the Borrower will be deemed to be the joint and several requests or authorizations of each of the persons comprising the Borrower. If there is a Covenantor and more than one person constitutes the Covenantor the agreements of, and all obligations and covenants to be performed and observed by, the Covenantor hereunder will be the joint and several obligations and covenants of each of the persons comprising the Covenantor.
- 1.11 **Date for Action** - If any date on which any action required to be taken hereunder by either party is not a Business Day such action will be required to be taken on the next following Business Day.
- 1.12 **Entire Agreement** - This Agreement, including any schedules hereto, and the Securities constitute the entire agreement between the parties relating to the Construction Loan, expressly superseding all prior agreements and communications (both oral and written) between any of the parties hereto with respect to all matters contained herein, and except as stated herein or in the Securities or any other instruments and documents to be executed and delivered pursuant hereto, contain all the representations and warranties of the respective parties.
- 1.13 **Included Words** - Whenever the singular or the masculine is used herein the same will be deemed to include the plural or the feminine or the body corporate where the context or the parties so require.

## **PART 2 SECURITY**

- 2.1 **Further Security** - The Borrower hereby assigns to the Credit Union as further security for repayment of the Construction Loan
- (a) All Construction Contracts;
  - (b) All warranty rights relating to the Project;
  - (c) All designs, Plans, Specifications, permits and licenses relating to the Project;
  - (d) All Goods and Services Tax input credits relating to, or arising from, the Project; and
  - (e) All Purchase and Sale Agreements for completed units in the Project,

And the Borrower will, at the request of the Credit Union, enter into specific assignments of the foregoing, in such form or forms of assignment as may be determined by the Credit Union in its sole and absolute discretion.

- 2.2 **Demand** - Notwithstanding that the Mortgage or any of the other Securities (if any) is expressed to be payable on demand, the Credit Union will not demand payment under the Mortgage or the other Securities unless and until an Event of Default has occurred under this Agreement or unless and until an event of default has occurred with respect to other indebtedness.
- 2.3 **Registration** - The Credit Union will, at the expense of the Borrower, register, file or record the Security Interests in all offices where such registration, filing, or recording is necessary or of advantage to the creation, perfection and preserving of the Security Interests and renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect. The Borrower acknowledges that the forms of this Agreement and the Securities have been prepared based upon the laws of British Columbia applicable thereto and the laws of Canada applicable therein in effect at the date of this Agreement and that such laws may change. The Borrower agrees that the Credit Union will have the right to require that the forms of this Agreement and any of the Securities be amended or supplemented to reflect any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Credit Union the rights and security interests intended to be created hereby and thereby.

### PART 3 ADVANCES

- 3.1 **Advances** - The Construction Loan will be advanced on a progressive draw basis based upon the value of work in place and the cost to complete the Project as determined by the Inspector. There will at all times be un-advanced amount sufficient in the opinion of the Credit Union to complete the Project.
- 3.2 **Advances** - Unless the Borrower otherwise provides in writing to the Credit Union, all advances of the Construction Loan may be deposited by the Credit Union to the Account. The Credit Union may deduct from advances of the Construction Loan or may charge to the Account the following, as applicable: the Credit Union's fees, legal fees, appraisal fees, interest adjustment, prepayment penalties, and Other Amounts.
- 3.3 **Borrower to Deliver** - The Borrower will, prior to the initial advance of the Construction Loan, deliver the following to the Credit Union:
- (a) All requirements outlined in the Offer of Credit as Conditions Precedent (to Initial Advance);
  - (b) Details in writing from the Borrower (or an officer of the Borrower if the Borrower is a corporation) of any outstanding breach of any covenant, representation, or warranty contained in this Agreement or in the Securities;
  - (c) Such other items as are specified in the Offer of Credit; and
  - (d) Such other information as the Credit Union may reasonably request.
- 3.4 **Conditions Precedent (To Initial Advance)** - It will be a condition precedent to the initial advance under the Construction Loan that
- (a) The Credit Union will have received the documents and information specified in section 3.3;
  - (b) The Credit Union will have received from the Borrower's legal counsel an opinion in form and substance satisfactory to the Credit Union in its sole discretion; and
  - (c) The Borrower will have duly authorized, executed and delivered the Securities and the Securities will have been registered, filed and recorded in all offices in which, in the opinion of the Credit Union, acting reasonably, registration is necessary or of advantage to preserve or perfect the priority of the security interests intended to be created thereby.
- 3.5 **Conditions Of All Advances (Including the Initial Advance)** - The Credit Union will not be required to make any advance under the Construction Loan unless it has received two full Business Days prior written notice of the Borrower's intention to call for an advance under the Construction Loan. Each time the Borrower wishes an advance to be made under the Construction Loan (except for an advance to finance the acquisition of the Lands) the Borrower will provide to the Credit Union the following:
- (a) Claim for progress draw ("Progress Claim") containing details and requirements as outlined in the Advances section of the Offer of Credit;
  - (b) A satisfactory title office search conducted by the Credit Union on the Property immediately before the advance, showing the Lands as being encumbered only by the Mortgage and Permitted Encumbrances; and
  - (c) A Statutory Declaration from an officer of the Borrower containing confirmations and representations with respect to the project on a form provided by or satisfactory to the Credit Union.

3.6 **Surveyor's Certificate** - No advance will be made after the foundations for the Project are in place until the Borrower has provided to the Credit Union a surveyor's certificate and a plan of survey indicating the boundaries of the Lands, the location of the foundations thereon and certification that:

- a) All foundations are wholly within the boundaries of the Lands;
- b) That the location of the foundations is in compliance with all municipal and civic siting bylaws and regulations;
- c) That the Property is free of any easements, except easements for public utilities and similar charges that do not affect the marketability of the Property and are consistent with its use;

(Or, where not the case, specific identification of encroachments or non-compliance subject to Credit Union approval).

Such plan of survey is also to include lot lines, improvement location lines in relation to lot lines, building dimensions, location of easements and right of way, and coverage.

As construction of the Project progresses, the Credit Union may require updated plans of survey and surveyor's certificates with respect to the location of all improvements on the Lands. The cost of all surveys is to be borne by the Borrower.

3.7 **Requirements for Final Advance** - Before the final advance of the Construction Loan:

- (a) The Inspector shall have provided an inspection report certifying completion of the Project (except for minor deficiencies approved by the Credit Union), and
- (b) The Borrower shall have delivered to the Credit Union an occupancy permit or similar document with respect to the Project issued by the municipality or other local government unit in which the Lands are located.

3.8 **Statutory Lien Holdback(s)** - The Borrower is responsible for making the statutory lien holdback under the Builders Lien Act. Failure to properly make the holdback is a default under this Agreement

If a separate lien holdback account or accounts are required to be opened by the Borrower under the Builders Lien Act,

- (a) The Borrower will open and maintain separate lien holdback accounts with the Credit Union in respect of each contract entered into by the Borrower (except in respect of material suppliers, architects, engineers and workers); and
- (b) The Borrower will pay the Credit Union the Credit Union's standard fee for lien holdback accounts for each account to be opened, payable when the first account is opened.

If separate lien holdback accounts are not required by the Builders Lien Act, the Borrower may, but will not be required to, open a separate account in the Credit Union into which to pay the required lien holdback.

The Borrower authorizes the Credit Union to disburse from each advance of the Construction Loan the holdback amounts directly into the appropriate lien holdback account or accounts. These amounts will be considered advanced and the Borrower is responsible for proper disbursement of the holdback amounts. Before each progress advance, the Borrower will provide to the Credit Union all information necessary to calculate the correct amount to be advanced to holdback accounts in respect of each contract.

3.9 **Closing Off** - If the final advance of the Construction Loan is not made by the Balance Due Date, at the option of the Credit Union, the Credit Union's commitment to advance may be closed off and no further advances made and the outstanding balance will be due and payable.

3.10 **No Re-advances** - Advances on account of the Construction Loan once repaid by the Borrower will not be re-advanced by the Credit Union.

#### PART 4 - PAYMENTS

4.1 **Use of Payments** - The Credit Union will apply all payments received from the Borrower, including prepayments, in such order as the Credit Union decides.

4.2 **Place of Payments** - The Borrower will make all payments under this Agreement at the address of the Credit Union set out on page 1 of the letter part of this Agreement or at any other address specified by the Credit Union.

4.3 **Time of Payments** - Payments received after 2:00 p.m. (local time) on a Business Day or received on a day which is not a Business Day will be considered received on the next Business Day of the Credit Union's branch or office where the payment was made.

#### PART 5 - REPRESENTATIONS AND WARRANTIES

5.1 **Representations and Warranties** - The Borrower represents and warrants to the Credit Union that:

- (a) **Corporate Status** - if the Borrower is a corporation, it is duly incorporated and is in good standing under the laws of the Province of British Columbia;
- (b) **Corporate Powers and Authority** - if the Borrower is a corporation, the Borrower has the power and authority to carry on the business now being carried on by it and has the full power and authority to enter into this Agreement and to execute and deliver the Securities;
- (c) **Corporate Proceedings** - if the Borrower is a corporation, all necessary and requisite corporate proceedings, resolutions and authorizations have been taken, passed, done and given by the Borrower and by the Borrower's directors to authorize, permit and enable the Borrower:
  - (i) To borrow the Construction Loan from the Credit Union;
  - (ii) To execute and deliver this Agreement; and
  - (iii) To execute and deliver the Securities;
- (d) **Not Contravene Constatng Documents** - if the Borrower is a corporation, neither the borrowings nor the issue of the Securities will be in contravention or constitute default under the constating documents of the Borrower;
- (e) **Not Contravene Any Agreement** - neither the borrowings nor the issue of the Securities will be in contravention or constitute default under any indenture, deed, agreement, undertaking or obligation of the Borrower or to which the Borrower is a party;
- (f) **No Action or Proceedings** - there are no actions or proceedings pending or, to the knowledge of the Borrower threatened which challenge the validity of this Agreement, the validity of any of the Securities or which might result in a material adverse change in the financial condition of the Borrower or any covenantor, indemnitor or guarantor or which would materially adversely affect the ability of the Borrower or any covenantor, indemnitor or guarantor to perform its/their obligations under this Agreement, the Securities or any other document in connection herewith.

**PART 6 POSITIVE COVENANTS**

6.1 **General Covenants** - The Borrower covenants with the Credit Union:

- (a) **Corporate Existence** - that, if it is a corporation, it will at all times maintain its corporate existence;
- (b) **Conduct Business** - that it will carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good business practices;
- (c) **Books of Account** - that it will keep or cause to be kept proper books of account in accordance with sound accounting practice;
- (d) **Title to Property** - that it has good title and possession of the Property save Permitted Encumbrances;
- (e) **Insurance** - that it will obtain and keep in force insurance which meets the requirements set out in the attached Insurance Schedule and whenever and only if required in writing by the Credit Union, the Borrower will:
  - (i) Furnish a certificate by an independent appraiser or insurance adjuster selected by the Borrower and approved by the Credit Union as to the sufficiency of such insurance, which certificate will be conclusive as against the Borrower both as to the amount of insurance required hereunder and the perils against which coverage is required hereunder and the Borrower will immediately insure in accordance with such certificate;
  - (ii) Cause to be endorsed in such form as may be required by the Credit Union on the policies evidencing such insurance a notation that any amounts payable under such policies will be paid to the Credit Union as its interest may appear; and
  - (iii) Deposit with the Credit Union every policy and renewal certificate for such insurance or a certified copy thereof;
- (f) **Other Indebtedness** - that it will pay and discharge as they become due all payments due and owing under, or with respect to, any previous indebtedness created or security given by the Borrower to any person or corporation and will observe, perform and carry out all the terms, covenants, provisions and agreements relating thereto and any default in payment of any monies due and payable under or relating to any previous indebtedness or security or in the observance, performance or carrying out of any of the terms, covenants, provisions and agreements relating thereto will be deemed to be a default hereunder at the option of the Credit Union and any and all remedies available to the Credit Union hereunder by reason of any default hereunder or by law or otherwise will be forthwith available to the Credit Union upon any default of the Borrower under the previous security;

- (g) **Costs Caused By Default** - that if the Borrower defaults in any covenant to be performed by it hereunder or under the Securities the Credit Union may perform any covenant of the Borrower capable of being performed by the Credit Union and if the Credit Union is put to any costs, charges, expenses or outlays to perform any such covenant, the Borrower will indemnify the Credit Union for such costs, charges, expenses or outlays and such costs, charges, expenses or outlays incurred by the Credit Union (including solicitors' fees and charges incurred by the Credit Union) may be charged by the Credit Union to the Account and will be secured by the Securities;
- (h) **Court Costs** - that in any judicial proceedings taken to enforce this Agreement and the covenants of the Borrower hereunder or to enforce or redeem the Securities or to foreclose the interest of the Borrower in any property subject thereto the Credit Union will be entitled to costs on a special costs basis. Any costs so recovered will be credited against any solicitors' fees and charges paid or incurred by the Credit Union relating to the matters in respect of which the costs were awarded and which may have been charged by the Credit Union to the Account in accordance with clause (g) above.

6.2 **Construction Covenants** - The Borrower will:

- (a) **Complete Project** - proceed to complete the Project with diligence and continuity in a good and workmanlike manner, in accordance with sound building and engineering practices and in accordance with the Plans and Specifications approved by the Credit Union;
- (b) **Changes to Plans and Specifications** - not make material changes to the Plans or the Specifications without the Credit Union's prior written consent;
- (c) **Not Cease Work** - not permit cessation of work on the Project prior to completion for a period in excess of 30 days without the prior written consent of the Credit Union, unless cessation is caused by factors which in the opinion of the Credit Union, acting reasonably, are beyond the control of the Borrower;
- (d) **Correct Defects** - correct promptly upon notice from the Credit Union any defects in construction of the Project or unapproved deviations from the Plans and Specifications;
- (e) **Only Pay Project Costs** - use amounts advanced hereunder by the Credit Union only for the payment of Project Costs and for no other purpose;
- (f) **Pay Excess** - pay from sources other than amounts advanced hereunder by the Credit Union the Project Costs in excess of the amounts advanced hereunder;
- (g) **Ensure Un-advanced Construction Loan Sufficient** - ensure that the amount un-advanced hereunder will at all times be sufficient to pay the Project Costs necessary to complete the Project;
- (h) **Notify Credit Union** - promptly notify the Credit Union of any deviations from the Project budget.

6.3 **Substantial Completion** - Upon substantial completion of the Project the Borrower will provide the Credit Union with

- (a) An occupancy certificate or similar certification by the municipality or other local government unit certifying that the Project may be occupied; and
- (b) One set of "as built" Plans.

6.4 **During Construction** - During construction the Borrower will

- (a) Provide to the Credit Union status reports (including copies of the engineer's and/or the quantity surveyor's reports) with respect to the Project containing such information concerning the Project as the Credit Union may reasonably require;
- (b) Permit the Credit Union and its employees and agents access to the Project site and will permit such persons to enter and inspect the Project; and
- (c) Keep and will permit the Credit Union and its employees and agents at all reasonable times to examine and copy books and records of the Borrower pertaining to the Project and all contracts, statements, invoices, bills and claims for labour, materials and services supplied for the Project.

6.5 **Sign** - While the Construction Loan is outstanding the Borrower will permit the Credit Union to post a sign at the Project indicating that construction financing is being provided to the Borrower by the Credit Union.

**PART 7 NEGATIVE COVENANTS**

7.1 **Covenants** The Borrower covenants with the Credit Union that the Borrower will not, without the consent in writing of the Credit Union first being obtained:

- (a) **Grant Security** - make, give or create or attempt to make, give or create any mortgage, charge, lien or encumbrance upon the Property or any part or parts thereof ranking or purporting to rank prior to or pari passu with the Securities or any of them;
- (b) **Demolish Property** – demolish, remove or destroy any pledged Property or any part or parts thereof or cause or permit the demolition, or removal or destruction of the same except in the ordinary course of business;
- (c) **Sell Property** - make any sale or dispose of any substantial part of the Property at less than market value and then only in the ordinary course of business and if the Borrower disposes of the whole or any substantial part of the Property it will hold the proceeds of the sale thereof in trust for the Credit Union;
- (d) **Payments Out of Usual Course** - make any payments to any person other than in the normal course of the Borrower's business;
- (e) **Make Loans** - make loans or extend credit to any person (including specifically if it is a corporation, any directors, officers or shareholders of the Borrower and any person related by blood or marriage to such persons or any corporation controlled by such person or relative or by the Borrower) except customers of the Borrower in the ordinary course of business;
- (f) **Reduce Capital** – if it is a corporation, purchase or redeem any of its shares or otherwise reduce its share capital;
- (g) **Alter Share Structure** - if it is a corporation, in any way vary or alter its share structure;
- (h) **Borrow Elsewhere** - raise or borrow any money from any person other than the Credit Union, members of the Borrower and trade creditors in the ordinary course of business;
- (i) **Guarantee** - guarantee, indemnify any person for, or endorse for accommodation, the obligations of any other person, directly or indirectly;
- (j) **Sell Property** - sell, agree to sell or otherwise dispose of any of the Property subject to a specific mortgage or charge under the Securities.

## PART 8 EVENTS OF DEFAULT

8.1 **Events of Default** - The whole of the outstanding balance of the Construction Loan (including principal, interest and all Other Amounts) will immediately become due and payable and the Securities will become enforceable in each and every of the following events:

- (a) **Default** - if the Borrower fails to observe or perform something hereby required to be done or some covenant or condition hereby required to be observed or performed;
- (b) **Permits To Be Done** - if the Borrower does, or permits to be done, anything which the Borrower has herein agreed not to do or permit to be done;
- (c) **Misrepresentation** - if any representation or warranty given by the Borrower (or any director or officer thereof if the Borrower is a corporation) is untrue in any material respect;
- (d) **Winding Up** - if the Borrower is a corporation and if an order is made or a resolution passed for the winding up of the Borrower, or if a petition is filed for the winding up of the Borrower;
- (e) **Bankruptcy** - if the Borrower commits or threatens to commit any act of bankruptcy or becomes insolvent or makes an assignment or proposal under the Bankruptcy and Insolvency Act or a general assignment in favour of its creditors or a bulk sale of its assets, or if a bankruptcy petition is filed or presented against the Borrower;
- (f) **Arrangement** - if the Borrower is a corporation and if any proceedings with respect to the Borrower are commenced under the Companies Creditors Arrangement Act;
- (g) **Execution Etc.** - if any execution, sequestration, extent or any other process of any Court become enforceable against the Borrower or if a distress or analogous process is levied against the property of the Borrower or any part thereof;
- (h) **Other Indebtedness** - if the Borrower permits any sum which has been admitted as due by the Borrower or is not disputed to be due by the Borrower and which forms or is capable of being made a charge upon any of the Property in priority to the Securities to remain unpaid after proceedings have been taken to enforce the same as a prior charge;
- (i) **Default in Other Payment** - if the Borrower defaults in payment of any indebtedness or liability to the Credit Union (whether secured hereby or not) or to any other lender;

- (j) **Sale or Lease** - if, without the prior written consent of the Credit Union, the Borrower sells, agrees to sell, leases, agrees to lease or otherwise disposes or agrees to dispose of the Lands or any part or parts thereof or any interest therein;
- (k) **Mortgage or Encumbrance** - if, without the prior written consent of the Credit Union, the Borrower grants or agrees to grant any further mortgage of the Lands or any part or parts thereof or any interest therein or otherwise permits the Lands to be encumbered in any manner other than by encumbrances specifically permitted hereunder;
- (l) **Construction Contract Default** - if the Borrower defaults under any construction contract entered into by the Borrower with respect to the Project; and
- (m) **Change of Control** - if the Borrower is a corporation and if, without the prior written consent of the Credit Union, there is in the opinion of the Credit Union a change of effective control of the Borrower;
- (n) **Change in Risk** - if, in the sole opinion of the Credit Union, a material adverse change in risk occurs; or
- (o) **Default Under Securities** - if an event of default occurs under any of the Securities.

8.2 **Waiver** - The Credit Union may waive any Event of Default, provided always that no waiver by the Credit Union or any failure to take any action to enforce its rights or to enforce any security will extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom.

8.3 **Completion of Project** - If an Event of Default occurs and is continuing the Credit Union may, in addition to any other remedies which it has under the Securities

- (a) Enter upon the Lands and complete the Project in accordance with the Plans and Specifications with such changes therein as the Credit Union may in its absolute discretion deem appropriate;
- (b) Discontinue at any time any work commenced on the Project or change any course of action undertaken by the Borrower;
- (c) Assume any Construction Contract and take over and use all or any part of the labour, materials, supplies and equipment contracted for by the Borrower;
- (d) Engage builders, contractors, architects, engineers and other persons and trades as may be necessary for the purpose of completing the construction of the Project;
- (e) Pay, settle or compromise all bills or claims which may become liens against the Lands; and
- (f) Generally to take or refrain from taking such action hereunder as the Credit Union may from time to time determine.

The Borrower hereby irrevocably constitutes and appoints the Credit Union as its true and lawful attorney in order to complete the foregoing.

8.4 **Reimbursement** - The Borrower will immediately reimburse the Credit Union on demand for any amount paid under section 8.3 and until reimbursement the amount paid will:

- (a) Bear interest from the date incurred by the Credit Union at the Interest Rate; and
- (b) Be secured by the Securities.

8.5 **Remedies Not Restrictive** - All remedies stipulated for by the Credit Union hereunder or in any of the Securities will be deemed to be in addition to and not restrictive of the remedies which the Credit Union might be entitled to at law or in equity and the Credit Union may realize any of the Securities or any part thereof in such order as it may be advised and any such realization by any means will not bar realization of any other security or any part or parts thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof nor will the failure on the part of the Credit Union or any delay in exercising any rights under this Agreement or any of the Securities operate as a waiver.

8.6 **Set Off** - If an Event of Default has occurred and is continuing, in addition to and not in limitation of any rights now or hereafter granted under applicable law or the Securities, the Credit Union may without notice to the Borrower and at any time and from time to time set off, apply or transfer any or all sums owing from time to time by the Lender to the Borrower towards the satisfaction of the outstanding balance of the Construction Loan (including principal, interest and Other Amounts).

8.7 **Indemnity** - Notwithstanding any other provision of this Agreement, the Borrower will fully indemnify and hold the Credit Union harmless from and against any loss, expense, damage or liability incurred by it which the Credit Union may sustain or incur as a result of any Event of Default.

- 9.1 **Notices** - All notices which may or are required to be given herein or pursuant to this Agreement or relating to the Securities shall be in writing and may be given
- (a) Personally by serving the same upon the party (or any officer of the party if it is a corporation) to be served, or
  - (b) By mail by posting the same by prepaid registered mail addressed:
    - (i) To the Borrower at the address of the Borrower set forth in the Offer of Credit;
    - (ii) To the Credit Union at the branch of the Credit Union where the loan accounts reside;
    - (iii) To the Covenantor, if any, at the address of the Covenantor shown in the Covenantor Provision, if any, of this Agreement;
 Or such other addresses as the parties may advise by notice in writing, or
  - (c) By facsimile transmission to the following telephone numbers but addressed in the manner set out in (b):
    - (i) To the Borrower at such fax number, if any, as the Borrower may provide to the Credit Union;
    - (ii) To the Credit Union at the address of the branch of the Credit Union where the loan account is held;
    - (iii) To the Covenantor, if any, at such fax number, if any, shown in the Covenantor Provision, if any, of this Agreement;
 Or such other facsimile telephone numbers as the parties may advise by notice in writing.
- 9.2 **Receipt of Notice** - Subject to sections 9.3 and 9.4, any notice shall be deemed to have been received and effectively served
- (a) If served personally, at the time of delivery,
  - (b) If mailed, on the third Business Day following posting, and
  - (c) If sent by facsimile transmission, at the time of transmission.
- 9.3 **Deemed Receipt Next Business Day** - Notwithstanding any other provisions of this Agreement any notice received or otherwise deemed received after 4:30 p.m. (Pacific time) on a Business Day or on a day which is not a Business Day will be deemed to have only been received on the next Business Day.
- 9.4 **Delays** - In the event that, at the time a notice is mailed or at any time during the period of three Business Days following such mailing, postal or airline or airport employees are engaged in a strike, work slowdown or other work stoppage at the place at which the notice is mailed or at the place to which the notice is mailed or at any point through which such notice must pass, such notice will be deemed to have been given and received at the time when such notice would be received in the ordinary course of the mails, allowing for such strike, work slowdown or other work stoppage.

## PART 10 TERMINATION

- 10.1 **Termination of Agreement** - This Agreement will continue in full force and effect until the outstanding balance of the Construction Loan (including principal, interest and all Other Amounts) has been paid in full.

## PART 11 GENERAL

- 11.1 **No Obligation to Advance Construction Loan** - Notwithstanding any other provisions hereof neither the execution of this Agreement nor the execution and delivery of the Securities or any other security required and from time to time given by the Borrower to the Credit Union will bind the Credit Union to advance the Construction Loan nor will the advance of any part thereof bind the Credit Union to advance any un-advanced portion thereof.
- 11.2 **Records** - The information in the records of the Credit Union as to the Account and as to the Borrower being in default of this Agreement or the Securities or any of them and the amount outstanding hereunder and thereunder will be prima facie evidence of the obligations of the Borrower hereunder and under the Securities. The Borrower will, on reasonable notice to the Credit Union, be entitled to obtain extracts of all entries made in such records.
- 11.3 **Costs** - The Borrower will pay the costs of and incidental to the drawing, execution and delivery of this Agreement and of the drawing, execution, delivery and registration of the Securities or any other securities required to or from time to time given by the Borrower to the Credit Union and at its option the Credit Union may pay the said costs for the account of the Borrower out of the monies to be advanced on account of the Construction Loan or may debit the Account for the said costs.

- 11.4 **Service Charges** - The Borrower will pay to the Credit Union the Credit Union's applicable handling and service charges in connection with the Account and the handling and processing of cheques drawn thereon.
- 11.5 **Assignment by Borrower** - The Borrower will not be entitled to assign any of its rights hereunder except with the prior written consent of the Credit Union.
- 11.6 **Assignment by Credit Union** - The Credit Union may assign its rights hereunder, in whole or in part, but will not assign its rights or any interest under any of the Securities without also assigning the same proportionate rights or interest in this Agreement to the assignee of the Securities.
- 11.7 **Solicitor's Opinion** - The whole of the arrangements described in this Agreement are subject to the solicitors for the Credit Union being satisfied as to the title of the Property, the form and content of the Securities, the corporate status of the Borrower and any corporate Covenantor and as to all legal matters pertaining to the Construction Loan and compliance with the conditions herein, subject always to the right of the solicitors for the Credit Union to require an opinion from the solicitors for the Borrower pertaining to any of the aforesaid.
- 11.8 **Further Assurances** - The Borrower will do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including certificates, declarations, affidavits, reports and opinions) and things as the Credit Union may reasonably request for the purpose of giving effect to this Agreement or for the purpose of establishing compliance with the representations, warranties and conditions of this Agreement or any of the Securities.
- 11.9 **Non Merger** - The taking of a judgment or judgments or any other action or dealing whatsoever by the Credit Union in respect of any security given by the Borrower to the Credit Union will not operate as a merger of any indebtedness of the Borrower to the Credit Union or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Credit Union may have in connection with such indebtedness and the foreclosure, surrender, cancellation or any other dealing with any such security will not release or affect the liability of the Borrower, or release or affect any of the Securities or any other security held by the Credit Union.
- 11.10 **Examinations of Books Etc.** - The Credit Union will have the right whenever it deems reasonably necessary either by its officers or authorized agents to enter upon the Borrower's premises and to inspect the undertaking, property and assets of the Borrower, all books of account and records of the Borrower and copies of all returns made from time to time by the Borrower to boards, agencies or governmental departments (including the Department of National Revenue) and to make extracts therefrom and generally to conduct such examinations as it may see fit and without limiting the generality of the foregoing, the Credit Union may request information from the solicitor, auditor and other advisors and agents of the Borrower for the time being concerning the affairs and the conduct of business of the Borrower and the Borrower hereby irrevocably authorizes and directs and this will constitute the sufficient authority and direction to any such solicitor, auditor or other person to disclose to the Credit Union such information as to any and all matters touching upon the affairs and conduct of the business of the Borrower whether of confidential nature or otherwise and any costs, expenses and outlays which the Credit Union may incur pursuant hereto may be charged to the Account.
- 11.11 **Extension of Dates** - The Credit Union may extend all relevant dates, including those contained in this Agreement in the event of fires, strikes, and Acts of God and other events beyond the Borrower's reasonable control and the Borrower will pay all resulting costs to the Credit Union of extending the date or dates.
- 11.12 **Enurement** - This Agreement and all its provisions will enure to the benefit of and be binding upon the parties hereto, their successors and assigns.
- 11.13 **Statute References** - A reference in this document to a particular statute means the statute as amended from time to time and any statute substituted therefore.

## INSURANCE SCHEDULE - COURSE OF CONSTRUCTION REQUIREMENT

### A. During Construction

- (a) The property must be insured for 100% of replacement cost under a form providing coverage at least equivalent to IAO Form 507 - Builders Risk - All Risk.
- (b) The Builders Risk - All Risk cover must grant permission for partial or full occupancy.
- (c) The insurance policy should include the insurance of the foundation and all parts below ground level.
- (d) Comprehensive General Liability Insurance for bodily injury and/or death and damage to property of others in an amount not less than \$3,000,000.

### B. Upon Completion of Construction

The Borrower shall keep in force the following insurance in respect of the property:

- (a) "All Risks" coverage equivalent to the IAO Commercial Building Form (CBF) for 100% of replacement cost on a stated amount basis, with loss must be made payable firstly to the Credit Union, as its interests may appear. The policy must contain:
  - (i) A stated amount co-insurance clause;
  - (ii) A standard IAO mortgage clause;
  - (iii) A replacement cost endorsement.
- (b) Broad form boiler insurance including pressure vessels insurance and air-conditioning equipment, if any, and repair and replacement and use and occupancy coverage, with loss must be made payable firstly to the Credit Union, as its interest may appear and a standard IAO mortgage clause must be attached.
- (c) Comprehensive General Liability Insurance for bodily injury and/or death and damage to property of others, in amount not less than \$3,000,000.
- (d) Rental insurance coverage sufficient to cover 100% of the gross annual rents and if on a net basis, the equivalent gross rentals, for a period of one year.
- (e) All fire insurance policies must include the insurance of the foundation and all parts below level and in case of destruction of the reconstruction should not be limited to the same site and shall cover debris removal costs.

### 3. Other Requirements

- (a) All insurance policies will be issued by a company to be communicated to the Credit Union to confirm acceptability.
- (b) Any deductible amounts under such policies shall be at a maximum of \$25,000.
- (c) The terms and conditions of all insurance policies will be provided to the Credit Union for review and to confirm acceptability.

### 4. Loss payable

The policy or policies will contain a standard mortgage clause approved by the Insurance Bureau of Canada and will name First West Credit Union as first loss payee (as first mortgagee), as its interest may appear and a standard IAO mortgage clause must be attached.

### 5. Cancellation


The Insurer may reserve the right to cancel the policy as provided by statutory provisions but must agree that it will neither terminate nor alter the policy to our prejudice except by registered letter giving a notification of thirty (30) days to the Credit Union.

All of the above policies must be with insurers and on terms and conditions satisfactory to the Credit Union, including the provisions of thirty (30) days written notice to the Credit Union of cancellation or of any alteration to the policy to the prejudice of the Credit Union, must be signed by the insurers and the originals of the policies signed by the insurers must be deposited with the Credit Union prior to any advances under the loan.

### 6. Adequacy

To confirm adequate coverage, the Credit Union may, at its discretion, have its insurance consultant review all policies of insurance.

**This is Exhibit "E" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**

A handwritten signature in blue ink, consisting of a series of loops and curves, positioned above a horizontal line.

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**A Commissioner for taking Affidavits  
in the Province of British Columbia**



January 28, 2025

**PRIVATE AND CONFIDENTIAL**

Wood Lock Developments LTD.,1281826 B.C. LTD.,1281805 B.C. LTD. Joint Venture  
13450 102 Ave  
Surrey, BC V3T 5X3

**Re: Offer of Credit**

We are pleased to advise that Envision Financial, a division of First West Credit Union (“the Credit Union”) has approved and hereby offers the loan facilities described below subject to the terms and conditions set forth in this Agreement (“Offer of Credit”). The specific details of those Terms and Conditions are outlined in the following sections:

1. Borrowing Party
2. Credit Facilities
3. Security
4. Fees
5. Other Terms and Conditions
6. Acceptance

Definitions and further particulars are incorporated into this Offer of Credit by reference, including attached Schedules:

- Standard Terms and Conditions – Term Loan and/or Operating Loan
- Commercial Insurance Requirement
- CUMIS - Waiver of Coverage Form

This Agreement supersedes all existing Offer of Credits issued to the Borrower.

**1. BORROWING PARTY**

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**BORROWER**                      **Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD Joint Venture**

**INDEMNITORS**                      Talbir Mann    Harry Ma  
    Lawrence Kwok Leung Chan    Dennis Tin Tsi Jung  
    Adrian Phillipe Chan

Hello Holdings Ltd  
 Simple Multimedia Solutions Inc.  
 Advanced Marketing Solutions Inc.  
 Black Vintage Media Inc.

2. CREDIT FACILITIES (collectively “the Loan”)

**TERM LOAN  
(VARIABLE RATE)**

**Amount \$11,870,000 - NEW**

**Purpose**

To finance phase-2 construction costs of Townhouse project (the “Project”) situated at **23697 Fern Crescent., Maple Ridge, BC** legally described as: LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (the “Lands”) in accordance with the Project Budget.

Used of Funds	Amount	Source of Funds	Amount
Hard Cost	8,801,585	Phase-2 Loan	11,870,000
Soft cost	1,514,291		
Interest reserve	876,645		
Contingency	440,079		
CU Fee	118,700		
Broker Fee	118,700		
<b>Totals</b>	<b>11,870,000</b>	<b>Totals</b>	<b>11,870,000</b>

**Tranche 1-** Total of **\$3,281,000** to cover the 50% of soft cost, collet fees, interest reserve and construction of 3 units on spec based on PQS cost to complete;

**Tranche2 –** The balance funds to released based on cost to complete upon receiving the confirmation of **\$25,375,726** pre-sales from the total project.

**Interest Rate**

**Prime + 2.00% Variable Rate** (the “interest rate”), compounded monthly  
(\*see Definitions of “Prime” and “Variable Rate” in the attached Standard Terms and Conditions Schedule)

**Commitment Fee**

Refer to Section 4 - Fees below

**Term**

18 Months. The “Construction Loan” will be for a period of eighteen [18] months, maturing on August 01, 2026 (the “Balance Due Date”).

**Extension - 6 Months.** Agreement to extend the Facilities beyond the “Balance Due Date” is at the discretion of the Credit Union. Consideration will be based on additional due diligence and will be granted based in six month increments unless otherwise noted.

**Payments** **Interest only – Floating rate.** All accumulated interest will be payable to the Credit Union on the first day of every month. The whole of the outstanding balance of the Term Loan, including principal, interest and all Other Amounts are payable on the Balance Due Date.

**Payment Frequency** **Monthly**

**Prepayment** **Open.** The Borrower has the right, at any time when not in default hereunder or under the Securities, to prepay the whole or any portion of the balance outstanding under this Agreement without notice or bonus provided that any such payments will be applied first to interest accrued to the date of payment and second to principal and provided further that any such payment will not be taken in substitution of any monthly instalment.

**TERM LOAN (VARIABLE RATE) Total Amount \$18,150,000 - Existing**

**Current Balance** \$13,430,397.87

**Available Balance left** \$4,719,602.13

**Purpose** To finance phase-1 construction costs of Townhouse project (the “Project”) situated at **23697 Fern Crescent., Maple Ridge, BC** legally described as: LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. (the “Lands”) in accordance with the Project Budget.

**Interest Rate** **Prime + 2.00% Variable Rate** (the “interest rate”), compounded monthly (\*see Definitions of “Prime” and “Variable Rate” in the attached Standard Terms and Conditions Schedule)

**Payments** **Interest only – Floating rate.** All accumulated interest will be payable to the Credit Union on the first day of every month. The whole of the outstanding balance of the Term Loan, including principal, interest and all Other Amounts are payable on the Balance Due Date.

**Payment Frequency** **Monthly**

**Prepayment** **Open.** The Borrower has the right, at any time when not in default hereunder or under the Securities, to prepay the whole or any portion of the balance outstanding under this Agreement without notice or bonus provided that any such payments will be applied first to interest accrued to the date of payment and second to principal and provided further that any such payment will not be taken in substitution of any monthly instalment.

**Maturity date** July 4, 2025

Loan Term                    24 Months  
 Advance Date                July 6, 2023

**LETTER OF CREDIT            [Existing]**

<b>LTRC Sub</b>	<b>Amount</b>	<b>Purpose</b>
1	\$297,275.15	Building Permit DCC
2	\$54,775.00	Building Permit G.V.S. & D. D. D.C.C.
3	\$28,991.66	Building Permit Translink D.C.C.

**Interest Rate**                    **Does not accrue interest** unless demanded by Beneficiary and converted to a Loan Facility

**Payments**                        If demanded by the Beneficiary, the Letter of Credit will be repaid in full or converted to a Loan Facility in accordance with the Letter of Credit Loan Application and Agreement.

**Term**                                **On Demand** - In the event any contingent liabilities under the Letters of Credit remain outstanding after repayment or maturity of the "Construction Loans", the Borrower will place any subsequent sale proceeds in Credit Union deposit instruments and hypothecate same in the Credit Union's favour until such time as the contingent liabilities are fully secured or the Letters of Credit are retired. In the event Letters of Credit are drawn against, the resulting loan will be repaid from 100% of the net sale proceeds for each unit/lot until such time as the loans are repaid in full.

**Repayment**                        Following the full repayment of the Construction Loans and Lines of Credit, the Credit Union shall continue to receive and retain 100% of subsequent sale proceeds as security for the Borrower's indebtedness until it has received sufficient cash collateral security equal to the aggregate face amount of all outstanding letters of credit facilities.

**3. SECURITY**

All security that has been delivered to the Credit Union and is set forth as security in this Agreement, shall remain in full force and effect, is expressly reserved by the Credit Union and unless expressly indicated otherwise, shall apply in respect of all obligations of the Borrower under the Facility.

Repayment of the Loan and interest and Other Amounts will be secured by:

## LOAN AGREEMENTS

- **Commercial Loan Agreement – Form 1184** - signed by the Borrower [and accompanied by the signed related Directors Resolution in the case of a Corporate Borrower] – **[NEW]**
  - Commercial loan agreement signed by the borrower for \$18,150,000 [and accompanied by the signed related Directors Resolution in the case of a Corporate Borrower] -**[EXISTING]**
- 

## REAL ESTATE

- **CreditMaster Mortgage and Assignment of Rents** signed by the Borrower creating a first fixed charge over 23697 Fern Cres, Maple Ridge V4R 2S4. Legally described as: LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. and securing Obligations of all the Borrower. It may be advanced and re-advanced at the discretion of the Credit Union; **[EXISTING- Registration Number CB737591]**
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## COLLATERAL

- **Commercial Security Agreement** from the **1281826 BC Ltd** creating a first ranking security interest in all its present and after-acquired property **[EXISTING- Registration No. 641422P]**
- **Commercial Security Agreement** from the **Wood Lock Developments Ltd** creating a first ranking security interest in all its present and after-acquired property **[EXISTING- Registration No. 641422P]**
- **Commercial Security Agreement** from the **1281805 BC Ltd** creating a first ranking security interest in all its present and after-acquired property **[EXISTING- Registration Number 641422P]**
- **Commercial Security Agreement** signed by the Indemnitor **Hello Holdings Ltd.** creating a general security interest in all its present and after-acquired property **[EXISTING- Registration No. 641462P]**
- **Commercial Security Agreement** signed by the Indemnitor **Black Vintage Media Inc.** creating a general security interest in all its present and after-acquired property **[EXISTING- Registration No. 641462P]**
- **Commercial Security Agreement** signed by the Indemnitor **Simple Multimedia Solutions Inc.** creating a general security interest in all its present and after-acquired property **[EXISTING- Registration No. 641462P]**
- **Commercial Security Agreement** signed by the Indemnitor **Advanced Marketing Solutions Inc.** creating a general security interest in all its present and after-acquired property **[EXISTING- Registration No. 641462P]**

- **Commercial Security Agreement** - Goods/Specific from the Borrower assigning Credit Union term deposits in the amount of \$2,664,237 and all subsequent renewals (Interest Reserve). [EXISTING]
  - **Commercial Security Agreement – Goods/Specific** signed by the Borrower assigning Credit Union term deposits in the amount of \$876,645 and all subsequent renewals (Interest Reserve). [NEW]
- 

## OTHER INSTRUMENTS

- **Debt Service and Cost Overrun** Agreement signed by Talbir Mann, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Harry Ma, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Lawrence Kwok Leung Chan, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Dennis Tin Tsi Jung, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Adrian Phillip Chan, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Hello Holdings Limited, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Black Vintage Media Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Advanced Marketing Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]
- **Debt Service and Cost Overrun** Agreement signed by Simple Multi Media Solutions Inc, the indemnitor committing to provide funds for debt service, budget shortfall and to complete the Project with the terms and conditions outlined. [NEW/EXISTING]

- **Assignment and Postponement of Shareholder Loans** by Wood Lock Developments Ltd all shareholder's loans owed by the Borrower to the shareholders of the borrower. [NEW/EXISTING]
- **Assignment and Postponement of Shareholder Loans** by 1281826 BC Ltd all shareholder's loans owed by the Borrower to the shareholders of the borrower. [NEW/EXISTING]
- **Assignment and Postponement of Shareholder Loans** by 1281805 BC Ltd all shareholder's loans owed by the Borrower to the shareholders of the borrower. [NEW/EXISTING]
- Assignment of building permits, plans and material contracts from Wood Lock Developments Ltd. [NEW/EXISTING]
- **An Assignment of Credit Union deposits and shares** is to be obtained as part of the security package; [NEW/EXISTING- Amount \$876,645]
- **Loan Consent** from each owner and/or personal indemnitor allowing the Credit Union to collect, use, and disclose personal information – [NEW]
- **CUMIS Insurance Waiver** for owners and indemnitors confirming that the principals have agreed to waive creditor insurance on the Loans. [NEW]
- Such documents deemed necessary by First West Credit Union or its Solicitor to perfect the security. [NEW]

## INDEMNITIES

- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Talbir Mann indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Harry Ma indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Lawrence Kwok Leung Chan indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Dennis Tin Tsi Jung indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD. [EXISTING]

- **Indemnity Agreement – All Liabilities** (the "Indemnity") from Adrian Phillipe Chan indemnifying the Credit Union for all losses suffered by reason of making any and all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Hello Holdings Ltd.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD; accompanied by the signed related Directors Resolution. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Black Vintage Media Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD; accompanied by the signed related Directors Resolution. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Simple Multi Media Solutions Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD; accompanied by the signed related Directors Resolution. [EXISTING]
- **Indemnity Agreement – All Liabilities** (the "Indemnity") from **Advanced Marketing Solutions Inc.** indemnifying the Credit Union for all losses suffered by reason of making all loans to the Wood Lock Developments LTD,1281826 B.C. LTD,1281805 B.C.LTD; accompanied by the signed related Directors Resolution. [EXISTING]
- **Environmental Indemnity Agreement** from Talbir Mann, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Harry Ma, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Lawrence Kwok Leung Chan, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Dennis Tin Tsi Jung, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Adrian Phillipe Chan, (the Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Hello Holdings Limited , (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28,TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]

- **Environmental Indemnity Agreement** from Black Vintage Media Solutions Inc , (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Advanced Marketing Solutions Inc, (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]
- **Environmental Indemnity Agreement** from Simple Multi Media Solutions Inc, (the corporate Indemnitor) indemnifying the Credit Union from all losses with respect to Environmental Matters relating to LOT 1, PLAN EPP113344, SECTION 28, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT: PID: 031-618-511. [NEW/EXISTING]

#### 4. FEES

Commitment Fee	<b>\$118,700</b> ; the Borrower acknowledges that the Commitment Fee once paid by the Borrower is non-refundable and is a reasonable estimate of the Credit Union's cost incurred in investigating and preparing for the Loan. It will not be returned to the Borrower even if the Loan is not advanced.
Annual Review Fee	<b>\$1,500 per annum</b> ; to cover costs and expenses related to the review of financial affairs.
Discharge Fee	<b>\$350 per lot/unit</b> ; The discharge fee is payable by the Borrower and is due upon delivery of the discharge to the Borrower.
Extension Fee	<b>\$59,350</b> ; to cover costs and expenses related to the continuance of the original loan facility for an additional 6 months.
Late Reporting Fee	<b>\$1,000 per month</b> ; charged when reporting information as set out in the Conditions Ongoing below is past due and outstanding.
Draw processing Fee	<b>\$250 per draw</b> .
Amendment Fee	<b>\$500</b> ; The amendment fee covers cost and expenses related to the change request

#### 5. OTHER TERMS AND CONDITIONS

##### CONDITIONS PRECEDENT

The Borrower must deliver to the Credit Union confirmation of completion and registration of securities as outlined in Sections 3.3 and 3.4 of the attached "Schedule A" prior to the initial Loan advance. Further conditions (to the satisfaction of the Credit Union) are outlined as follows:

Plans and Specifications	PLANS AND SPECIFICATIONS - Phase 2 - to be approved by the Credit Union;
Other	BUDGET REVIEW - Budget to be review and approved by the QS
Insurance Coverage	<b>Tranche 1; INSURANCE COVERAGE</b> - provide confirmation of insurance coverage and annual renewals as outlined in Schedule "A";
Project Contracts	<b>Tranche 1; CONSTRUCTION CONTRACTS</b> - Copies of all CCDC 2 - Fixed price contracts between the Wood Lock Developments Ltd and 1281805 BC Ltd to be confirmed by the PQS;
Other	<b>Tranche 1; Receipt &amp; satisfactory review</b> by the CU's solicitor of the ownership structure, Bare trust agreements and other agreements governing this relationship, to ensure our security is perfected;
Other	<b>Tranche 1; The project's budget</b> is to be reviewed and approved by the PQS. Any increases in the budget shall be financed from cash equity;
Pre-Sales	<b>Tranche – 2; will be subjected to Cost to complete</b> and borrower to provide confirmation of Gross Pre-sale value of \$25,375,726. Pre-sales are to be bona fide arms-length sales with minimum 10% deposits to be held in trust. Pre-sales for multi-unit purchasers or corporate purchasers are to be bona fide arms-length sales with 15% deposits held in trust.;
	A Letter of Direction is to be signed by the Borrower and all indemnitors to direct any forfeited deposits to the Credit Union. Such deposits are to be applied at the Credit Union's sole discretion towards principal and/or interest payments;
Project Contracts	CONSTRUCTION CONTRACTS - Tranche 2; 75% of hard costs budget t be fixed price (less indirect & Gen Req) between sub trades and Wood Lock Development to be confirmed by the QS.
Appraisal	APPRAISAL - Phase 2 - to be completed by a Credit Union approved commercial appraiser, establishing a minimum fair market value of the Lands, upon completion of the Project.
Appraisal Transmittal	APPRAISAL TRANSMITTAL - Phase 2 - Letter accompanying the appraisal in which the Appraiser authorizes the Credit Union the use of the appraisal for lending purposes;
Zoning, Permits and Land	LAND USE, PERMITS AND ZONING APPROVALS - evidence satisfactory to the Credit Union that all land use, zoning and other regulatory requirements have or can be complied with and that all required building or development permits for the Project have been issued;
<b>ADVANCES</b>	
Progress Draws	Advances will be conducted based on inspection and confirmation by a Credit Union approved Quantity Surveyor in accordance with the terms outlined in Section 3.5 of the attached Standard Terms and Conditions – Construction Loan.
Cost to Complete	Undrawn loans must always be sufficient to meet the remaining draws/estimated cost to completion, outstanding payables, and statutory holdbacks.

**Declaration** Each draw requisition will be accompanied by a statutory declaration by the Borrower declaring that all sub trade accounts for the period 30 days immediately prior to the draw have been paid in full, except for statutory holdback requirements.

**CONDITIONS ONGOING**

The following information is to be provided in support of the credit facilities:

**FINANCIAL STATEMENTS** for Corporate Borrowers, Corporate Shareholders or Corporate Indemnitors are to be provided within 120 days of the fiscal year end. By signing this agreement, those Parties authorize the Credit Union to obtain the statements directly from their accountant/accounting firm if not provided within that time frame. These parties will provide any further authorization that may be required by the accountant/accounting firm in order to give effect to this provision. Statements are to be at a minimum level of – Compilation Engagement;

**INSURANCE COVERAGE** The Borrower must maintain insurance for pledged security as outlined in the attached Schedule. Confirmation of the Policy Renewal is to provided with 30 days of the maturity date;

**Tranche 1**

**Amount** Total of **\$3,281,000** to cover the 50% of soft cost, collet fees, interest reserve and construction of 3 units on spec based on PQS cost to complete;

**Pre- Sales** All pre-sale deposits to be held at lawyer's trust account with Envision Financials;

**Project Budget** The projects budget is to be reviewed and approved by the PQS. Any increases in the budget shall be financed from cash equity;

**PHASE-2**

**INTEREST RESERVE** An interest reserve account will be drawn from the budget amount and held at the Credit Union for the term of the loan. The initial reserve is required in the amount of \$876,645. Requests to replenish such amounts may be called for from time-to-time. Accrued monthly interest will be drawn from the account.

**DRAW ADVANCES** Draws shall be advanced in accordance with the details outlined in PART 3 of the Standard Terms and Conditions - Construction Loan attached to this Offer of Credit;

**PROPERTY TAXES** Confirmation of paid Property Taxes -for all real estate security are to be provided within 60 days of annual payment due date;

**ANNUAL REVIEW** The annual review date is JULY 01, 2026 and on going;

**PHASE-2;**

**Extension fee** Extension fee of 0.50% is to be charged on the outstanding & un-advanced portion of the loan beyond the initial term of 18 months;

**Partial discharges** Partial discharges of mortgage are subject to the Credit Union receiving 100% of net sales proceeds for each unit sold;

- Interest Reserve            The Interest Reserve will be drawn on 6 month increments. PQS will be made aware of this structure and to be captured in the report;
- Monthly Billings            Monthly billings and requests for progress advances are to be reviewed and approved by the PQS appointed by the credit union;
- Interest reserve            Interest Reserve is to be replenished from the construction budget. In the event of a shortfall, borrower is to replenish the interest reserve account;
- PQS                            The monthly PQS report is to include an update to the construction schedule and a monthly update from the project manager;

**Tranche 2:**

- Amount                        will be subjected to Cost to complete and borrower to provide confirmation of Gross Pre-sale value of \$25,375,726.
- Pre- Sales                    Pre-sales are to be bona fide arms-length sales with minimum 10% deposits to be held in trust. Pre-sales for multi-unit purchasers or corporate purchasers are to be bona fide arms-length sales with 15% deposits held in trust.;
- Letter of Direction        A Letter of Direction is to be signed by the Borrower and all indemnitors to direct any forfeited deposits to the Credit Union. Such deposits are to be applied at the Credit Union’s sole discretion towards principal and/or interest payments;

**PHASE-1:**

- INTEREST RESERVE        An interest reserve account will be drawn from the budget amount and held at the Credit Union for the term of the loan. The initial reserve is required in the amount of \$2,664,237. Requests to replenish such amounts may be called for from time-to-time. Accrued monthly interest will be drawn from the account.
- PHASE 1                      Extension fee of 1% is to be charged on the outstanding & un-advanced portion of the loan beyond the initial term of 24 months;

**COVENANTS**

The Borrower covenants and agrees with the Credit Union, that, so long as any portion of the Loan(s) or liabilities of the Borrower under this Offer of Credit letter remain outstanding, it shall not, without the prior written consent of the Credit Union:

- Further Encumbrances    Upon registration of the Credit Union’s interest on security assets, the Borrower shall not permit or engage in activity that provides for subsequent charges to be registered on those assets.

Borrower to use Envision as their operating account for the project

- Other Covenant            No Secondary charges are permitted on the security property

**TERMINATION**

At the Credit Union’s option, its agreement to advance the Construction Loan may be cancelled. All monies advanced together with interest and costs will be due and payable if:

- Commencement Construction of the Project is not commenced within 90 days of acceptance of the Credit Union’s offer herein by the Borrower.
- Registration The mortgage is not executed and registered, and the first advance made within 120 days of acceptance of the Credit Union’s offer herein by the Borrower.

**COSTS & EXPENSES** The Borrower agrees to pay the Credit Union all fees stipulated in this Agreement and all fees relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Credit Union in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement, or protection of its rights in connection with this Agreement and the Security.

The Borrower shall indemnify and hold the Credit Union harmless against any loss, cost or expense incurred by the Credit Union if the Loan is repaid or prepaid other than on its Maturity Date. The determination by the Credit Union of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Credit Union in liquidating or redeploying deposits acquired to make or maintain any facility.

**ASSET INSURANCE** **All Risk Insurance Assignment / Endorsements** will be provided as outlined in the attached Schedule on all of the Borrower’s real and personal property including, without limitation, lands, buildings, equipment and inventory owned by the Borrower, showing the Credit Union as first loss payable by way of standard mortgage endorsement.

**SERVICE CHARGES** Service charges are as per the posted Credit Union Service Fee Guide and amended from time to time.

**SHARES REQUIRED** The Borrower will purchase \$5.00 of equity shares in the capital of the Credit Union and will maintain that investment during the currency of this Agreement.

## 6. ACCEPTANCE

Upon acceptance, loan agreements and security documents will be prepared in accordance with the Terms and Conditions of the Offer of Credit. Arrangements will be made for signature, completion and execution of the documents so that the Loan can be funded as outlined.

If the provisions of this Offer of Credit meet with your approval, please sign the Borrower Acceptance, and return a copy of this Agreement together with the Commitment Fee noted above to the Credit Union **on or before 4:00 p.m. on February 27, 2025**, at which time the Credit Union's offer, unless accepted, will lapse and terminate.

Loans are expected to be funded/advanced/issued within 90 days of the Offer of Credit issuance date. Funding date requests that are past the 90-day period must be reviewed and authorized by the Credit Union.

Yours truly,  
Envision Financial, a division of **FIRST WEST CREDIT UNION**

By its authorized signatories:



\_\_\_\_\_  
Don Abeywardena  
Commercial Banking Advisor



\_\_\_\_\_  
Robert Deol  
Regional Manager, Commercial Banking

**BORROWER ACCEPTANCE:**  
**Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD Joint Venture**  
We have the authority to bind the Borrower

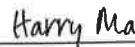


\_\_\_\_\_  
Authorized Signatory  
Talbir Mann

**INDEMNITOR ACCEPTANCE:**



\_\_\_\_\_  
Talbir Mann



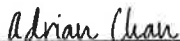
\_\_\_\_\_  
Harry Ma



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Lawrence Kwok Leung Chan



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Dennis Tin Tsi Jung

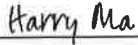


\_\_\_\_\_  
Adrian Phillippe Chan

**CORPORATE INDEMNITOR 1:**

**Hello Holdings Ltd.**

We have the authority to bind the Indemnitor



Authorized Signatory

Harry Ma

**CORPORATE INDEMNITOR 2:**

**Black Vintage Media Inc.**

We have the authority to bind the Borrower.



Authorized Signatory

Lawrence Kwok Leung Chan

**CORPORATE INDEMNITOR 3:**

**Simple Multi Media Solutions Inc.**

We have the authority to bind the Borrower.



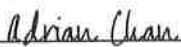
Authorized Signatory

Dennis Tin Tsi Jung

**CORPORATE INDEMNITOR 4:**

**Advanced Marketing Solutions Inc.**

We have the authority to bind the Borrower.



Authorized Signatory

Adrian Phillipe Chan

**SCHEDULE - STANDARD TERMS AND CONDITIONS  
TERM LOAN AND/OR OPERATING LOAN**

**PART 1 — DEFINITIONS AND INTERPRETATION**

**1.1 Definitions** – In this Agreement, unless the context otherwise requires:

"Advance" includes a re advance and the verb "advance" has a corresponding meaning;

"Agreement" means these Standard Terms and Conditions – Term Loan and the letter to which they are attached as the same may be amended from time to time and the expression "hereof", "herein", "hereto", "hereunder", and "hereby", and similar expressions refer to this Agreement and not to any particular provision;

"Business Day" means each day Monday through Friday inclusive other than a day which is a statutory holiday in British Columbia;

"Cheque" means any cheque, bill of exchange, draft or order for the payment of money;

"Compounding Frequency" is monthly unless otherwise stated in the Offer of Credit or Loan Agreements.

"CreditMaster® Mortgage" means a mortgage in favour of the Credit Union incorporating Standard Mortgage Terms MT980021 or MT030098 registered or to be registered in the applicable Land Title Office;

"Debt Service Ratio" is defined as Cash Flow divided by Funds Required for Debt Servicing. Cash Flow is defined as Net Income (After Tax) + Amortization/Depreciation/Capital Cost Allowance + Interest Expensed + Loss on Sale of Capital Assets/Extraordinary Items + Extraordinary Expenses - Gain on Sale of Capital Assets/Other Extraordinary Gains - Extraordinary Revenues/Income – Dividends/Shareholder's Loans Paid/Owner's Withdrawals – Advances Paid to Related Parties.

"Debt to Tangible Net Worth" is defined as Debt divided by Tangible Net Worth. Debt is defined as Total Liabilities less Liabilities formally postponed to the Credit Union.

"Financial statements" means all of the following:

- (a) A statement of profit and loss for the appropriate period;
- (b) A statement of surplus for the appropriate period;
- (c) A balance sheet as at the end of the appropriate period;
- (d) If the Borrower is a reporting company, a statement of source and application of funds for the appropriate period or periods;
- (e) If the statements are audited, the report of the auditor; and
- (f) Any notes to any of the aforesaid statements;

"Funds Required for Debt Servicing" is defined as the sum of all Interest and Principal Payments the Company made on all of its Debt(s), and interest paid on the Operating Line(s) of Credit.

"Lands" means those lands and premises described above;

"Other Amounts" means any other amounts that are payable by the Borrower to the Credit Union under this Agreement other than principal of the Term Loan and interest thereon;

"Overdraft Rate" means the rate designated and posted by the Credit Union as its Overdraft Rate" then in effect;

"Payment" with respect to an Item includes acceptance and certification and "pay" with respect to an Item includes accept and certify;

"Prime Rate" means that per annum interest rate designated by the Credit Union as the reference rate to be used to determine the rate of interest payable on variable rate Canadian dollar loans made by the Credit Union (or if at any one time more than one such rate is so designated, the higher or highest of such rates as the case may be);

"Property" means all of the undertaking, property and assets of the Borrower subject to the Securities;

"Securities" means the Mortgage together with any and all other security documents to be provided by the Borrower to the Credit Union and described in the letter part of this Agreement.

"Security Interests" means the security interests in favour of the Credit Union created by this Agreement and the Securities;

"Tangible Net Worth" is defined as Retained Earnings, Capital Stock, Contributed Surplus plus postponed/subrogated/subordinated debt advances and off-balance sheet equity as determined by the Credit Union less advances to/investments in to related parties and intangible assets.

- 1.2 Headings** – The headings herein are inserted for convenience of reference only and will not affect the construction or interpretation of this Agreement.
- 1.3 Governing Law** – This Agreement will be governed by, and construed in accordance with, the laws of the Province of British Columbia.
- 1.4 Submission to Jurisdiction** – The Borrower submits to the jurisdiction of the Courts of the Province of British Columbia and agrees to be bound by any suit, action or proceeding commenced in such Courts and by any order or judgment resulting from such suit, action or proceeding, provided however that the foregoing will in no way limit the right of the Credit Union to commence suits, actions, or proceedings based on this Agreement or any of the Securities in any jurisdiction.
- 1.5 Invalidity of Any Provision** – If any covenant, obligation or provision contained in this Agreement will be invalid or unenforceable, the remainder of this Agreement will not be affected thereby and each covenant, obligation or provision of this Agreement will separately be valid and enforceable to the fullest extent permitted by law.
- 1.6 Conflict with Other Documents** – If the provisions of the Securities or any of them conflict with, or are inconsistent with, the provisions of this Agreement, the provisions of this Agreement will prevail.
- 1.7 Certificate of Officer of Credit Union** – A certificate signed by any officer (including a Branch Manager) of the Credit Union stating the Prime Rate which applied on any day or during any period will be conclusive as to the Prime Rate which applied on that day or during that period, as the case may be, without further proof.
- 1.8 Amendments** – This Agreement may only be amended from time to time in writing and any such amendment may be evidenced by memoranda or letters signed by an authorized officer of the respective parties without the necessity of such amendment being executed under seal.
- 1.9 Counterparts** – This Agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and such counterparts together will constitute one and the same agreement.
- 1.10 Joint Obligations** – If more than one person constitutes the Borrower the agreements of, and all obligations and covenants to be performed and observed by, the Borrower hereunder will be the joint and several obligations and covenants of each of the persons comprising the Borrower and any request or authorization given to the Credit Union by any of the persons comprising the Borrower will be deemed to be the joint and several requests or authorizations of each of the persons comprising the Borrower. If there is a Covenantor and more than one person constitutes the Covenantor the agreements of, and all obligations and covenants to be performed and observed by, the Covenantor hereunder will be the joint and several obligations and covenants of each of the persons comprising the Covenantor.
- 1.11 Date for Action** – If any date on which any action required to be taken hereunder by either party is not a Business Day such action will be required to be taken on the next following Business Day.
- 1.12 Entire Agreement** – This Agreement, including any schedules hereto, and the Securities constitute the entire agreement between the parties relating to the Term Loan, expressly superseding all prior agreements and communications (both oral and written) between any of the parties hereto with respect to all matters contained herein, and except as stated herein or in the Securities or any other instruments and documents to be executed and delivered pursuant hereto, contain all the representations and warranties of the respective parties.
- 1.13 Included Words** – Whenever the singular or the masculine is used herein the same will be deemed to include the plural or the feminine or the body corporate where the context or the parties so require.

## PART 2 — SECURITY

- 2.1 Demand** – Notwithstanding that the Mortgage or any of the other Securities (if any) is expressed to be payable on demand, the Credit Union will not demand payment under the Mortgage or the other Securities (if any) unless and until an Event of Default has occurred under this Agreement or unless and until an event of default has occurred with respect to other indebtedness.
- 2.2 Registration** – The Credit Union will, at the expense of the Borrower, register, file or record the Securities in all offices where such registration, filing, or recording is necessary or of advantage to the creation, perfection and preserving of the security interests arising pursuant thereto and renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect. The Borrower acknowledges that the forms of the Securities have been prepared based upon the laws of British Columbia applicable thereto and the laws of Canada applicable therein in effect at the date of this Agreement and that such laws may change. The Borrower agrees that the Credit Union will have the right to require that the forms of this Agreement and any of the Securities be amended or supplemented to reflect

any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Credit Union the rights and security interests intended to be created thereby.

### **PART 3 — ADVANCES**

#### **TERM LOAN**

**3.1 Advances** – The Term Loan will be advanced and applied in such manner as the Borrower may from time to time direct the Credit Union in writing and for such purposes as the Credit Union has heretofore agreed to.

Unless the Borrower otherwise provides in writing to the Credit Union, all advances of a Term Loan may be deposited by the Credit Union to the Account. The Credit Union may deduct from advances of a Term Loan or may charge to the Account the following, as applicable: the Credit Union's fees, legal fees, appraisal fees, interest adjustment, prepayment penalties, and Other Amounts.

**3.2 No Re-advances** – Advances on account of a Term Loan once repaid by the Borrower will not be re-advanced by the Credit Union.

**3.3 Conditions Precedent to Advance** – The obligation of the Credit Union to advance the Term Loan is subject to the fulfilment of the following conditions to the satisfaction of the Credit Union:

- (a) the Credit Union will have received from the Borrower's legal counsel an opinion in form and substance satisfactory to the Credit Union in its sole discretion; and
- (b) In the event of mortgage or other registered security, the Credit Union will have received from the Borrower's legal counsel an opinion in form and substance satisfactory to the Credit Union in its sole discretion; and
- (c) The Borrower will have duly authorized, executed and delivered the Securities and the Securities will have been registered, filed and recorded in all offices in which, in the opinion of the Credit Union, acting reasonably, registration is necessary or of advantage to preserve or perfect the priority of the security interests intended to be created thereby.

#### **OPERATING LOAN**

**3.4 Advances** – All advances made by the Credit Union on account of the Operating Loan will be credited to the Account.

**3.5 Request for Advances** - The Credit Union may treat each cheque drawn on the Account as a request for an advance on account of an Operating Loan if there are insufficient funds to the credit of the Account to enable payment of the cheque.

**3.6 Advances on Daily Basis** The Credit Union will be entitled on a daily basis to make advances on account of the Operating Loan in such amounts as to maintain in the Account sufficient monies to pay from and charge against the Account all cheques drawn on the Account and presented for payment and all other charges which the Credit Union is entitled to charge against the Account (whether provided for herein or otherwise).

**3.7 Overdrafts** If, after the termination of this Agreement or after all monies advanceable hereunder on account of the Operating Loan have been advanced, the Credit Union pays any cheque drawn by the Borrower upon the Account or makes any charge which the Credit Union is entitled to charge against the Account, and if there are insufficient funds standing to the credit of the Account, any advance made by the Credit Union to allow payment of such cheque or charge will constitute a loan by the Credit Union to the Borrower repayable forthwith without demand with interest at the Overdraft Rate in effect from time to time, compounded daily, not in advance.

**3.8 Funds Not Sufficient for All Cheques** If the funds standing to the credit of the Account and the funds available hereunder on account of the Operating Loan are sufficient to pay only one or some of the cheques drawn on the Account and presented to the Credit Union for payment on any day, then the Credit Union may pay such cheques as it in its absolute discretion deems fit and may refuse payment of all other cheques howsoever presented or delivered to the Credit Union.

**3.9 Conditions Precedent to Advance** - The obligation of the Credit Union to advance the Operating Loan is subject to the fulfilment of the following conditions to the satisfaction of the Credit Union:

- (a) The Credit Union will have received from the Borrower's legal counsel an opinion in form and substance satisfactory to the Credit Union in its sole discretion; and

- (b) The Borrower will have duly authorized, executed and delivered the Securities and the Securities will have been registered, filed and recorded in all offices in which, in the opinion of the Credit Union, acting reasonably, registration is necessary or of advantage to preserve or perfect the priority of the security interests intended to be created thereby.

#### PART 4 — PAYMENTS, INTEREST AND REPAYMENT

##### TERM LOAN

- 4.1 Application of Payments** – The Credit Union will apply all payments received from the Borrower, including prepayments, in such order as the Credit Union decides.
- 4.2 Place of Payments** – The Borrower will make all payments under this Agreement at the address of the Credit Union set out on page 1 of the letter part of this Agreement or at any other address specified by the Credit Union.
- 4.3 Time of Payments** – Payments received after 2:00 p.m. (Pacific Time) on a Business Day or received on a day which is not a Business Day will be considered received on the next Business Day of the Credit Union's branch or office where the payment was made.
- 4.4 Debiting Borrower's Accounts** – If the Borrower does not make a payment required to be made pursuant to this Agreement, the Borrower authorizes the Credit Union to deduct the amount of the payment from any of the Borrower's accounts with the Credit Union or to redeem a sufficient number of the Borrower's shares in the Credit Union to make the payment.

##### OPERATING LOAN

- 4.5 Deposits** - Until the Operating Loan, together with interest and all Other Amounts, have been well and truly paid, all deposits to the credit of the Account will be applied by the Credit Union to repay the Operating Loan together with interest and all Other Amounts.
- 4.6 Place of Payments** - The Borrower will make all payments under this Agreement at the address of the Credit Union set out on page 1 of the letter part of this Agreement or at any other address specified by the Credit Union.
- 4.7 Time of Payments** - Payments received after 2:00 p.m. (Pacific Time) on a Business Day or received on a day which is not a Business Day will be considered received on the next Business Day of the Credit Union's branch or office where the payment was made.
- 4.8 Debiting Borrower's Accounts** - If the Borrower does not make a payment required to be made pursuant to this Agreement, the Borrower authorizes the Credit Union to deduct the amount of the payment from any of the Borrower's accounts with the Credit Union or to redeem a sufficient number of the Borrower's shares in the Credit Union to make the payment.

#### PART 5 — REPRESENTATIONS AND WARRANTIES

- 5.1 Representations and Warranties** – The Borrower represents and warrants to the Credit Union that:
- (a) **Corporate Status** – if the Borrower is a corporation, it is duly incorporated or amalgamated and is in good standing under the laws of the Province of British Columbia;
  - (b) **Corporate Power and Authority** – if the Borrower is a corporation, the Borrower has the power and authority to carry on the business now being carried on by it and has the full power and authority to enter into this Agreement and to execute and deliver the Securities;
  - (c) **Corporate Proceedings** – if the Borrower is a corporation, all necessary and requisite corporate proceedings, resolutions and authorizations have been taken, passed, done and given by the Borrower and by the Borrower's directors to authorize, permit and enable the Borrower:
    - (i) To borrow the Term Loan from the Credit Union;
    - (ii) To execute and deliver this Agreement; and
    - (iii) To execute and deliver the Securities;
  - (d) **Not Contravene Constatng Documents** – if the Borrower is a corporation, neither the borrowings nor the issue of the Securities will be in contravention or constitute default under the constating documents of the Borrower;

- (e) **Not Contravene Agreements** – neither the borrowing of the Term Loan nor the issue of the Securities will be in contravention or constitute default under any indenture, deed, agreement, undertaking or obligation of the Borrower or to which the Borrower is a party;
- (f) **No Actions or Proceedings** – there are no actions or proceedings pending or, to the knowledge of the Borrower threatened which challenge the validity of this Agreement, the validity of any of the Securities or which might result in a material adverse change in the financial condition of the Borrower or any covenantor, indemnitor or guarantor or which would materially adversely affect the ability of the Borrower or any covenantor, indemnitor or guarantor to perform its/their obligations under this Agreement, the Securities or any other document in connection herewith.

## PART 6 — POSITIVE COVENANTS

### 6.1 General Covenants – The Borrower covenants with the Credit Union:

- (a) **Corporate Existence** – that, if it is a corporation, it will at all times maintain its corporate existence;
- (b) **Conduct Business** – that it will carry on and conduct its business in a proper, efficient and business-like manner and in accordance with good business practices;
- (c) **Books of Account** – that it will keep or cause to be kept proper books of account in accordance with sound accounting practice;
- (d) **Title to Property** – that it has good title and possession of any or all pledge Property subject only to Permitted Encumbrances;
- (e) **Insurance** – that it will obtain and keep in force insurance which meets the requirements set out in the attached Insurance Schedule and whenever and to the extent required in writing by the Credit Union, the Borrower will:
  - (i) Cause to be endorsed in such form as may be required by the Credit Union on the policies evidencing such insurance a notation that any amounts payable under such policies will be paid to the Credit Union as its interest may appear; and
  - (ii) Deposit with the Credit Union every policy and renewal certificate for such insurance or a certified copy thereof;
- (f) **Other Indebtedness** – that it will pay and discharge as they become due all payments due and owing under, or with respect to, any previous indebtedness created or security given by the Borrower to any person or corporation and will observe, perform and carry out all the terms, covenants, provisions and agreements relating thereto and any default in payment of any monies due and payable under or relating to any previous indebtedness or security or in the observance, performance or carrying out of any of the terms, covenants, provisions and agreements relating thereto will be deemed to be a default hereunder at the option of the Credit Union and any and all remedies available to the Credit Union hereunder by reason of any default hereunder or by law or otherwise will be forthwith available to the Credit Union upon any default of the Borrower under the previous security;
- (g) **Costs Caused By Default** – that if the Borrower defaults in any covenant to be performed by it hereunder or under the Securities the Credit Union may perform any covenant of the Borrower capable of being performed by the Credit Union and if the Credit Union is put to any costs, charges, expenses or outlays to perform any such covenant, the Borrower will indemnify the Credit Union for such costs, charges, expenses or outlays and such costs, charges, expenses or outlays incurred by the Credit Union (including solicitors' fees and charges incurred by the Credit Union) may be charged by the Credit Union to the Account and will be secured by the Securities;
- (h) **Court Costs** – that in any judicial proceedings taken to enforce this Agreement and the covenants of the Borrower hereunder or to enforce or redeem the Securities or to foreclose the interest of the Borrower in any property subject thereto the Credit Union will be entitled to costs on a special costs basis. Any costs so recovered will be credited against any solicitors' fees and charges paid or incurred by the Credit Union relating to the matters in respect of which the costs were awarded and which may have been charged by the Credit Union to the Account in accordance with clause (g) above;

## PART 7 — NEGATIVE COVENANTS

### 7.1 Covenants – The Borrower covenants with the Credit Union that the Borrower will not, without the consent in writing of the Credit Union first had and obtained:

- (a) **Grant Security** – make, give or create or attempt to make, give or create any mortgage, charge, lien or encumbrance upon the Property or any part or parts thereof ranking or purporting to rank prior to or pari passu with the Securities or any of them;

- (b) **Demolish Property** – demolish, remove or destroy any of the Property or any part or parts thereof or cause or permit the demolition, or removal or destruction of the same except in the ordinary course of business;
- (c) **Sell Property** – make any sale or dispose of any substantial part of the Property at less than market value and then only in the ordinary course of business and if the Borrower disposes of the whole or any substantial part of the Property it will hold the proceeds of the sale thereof in trust for the Credit Union;
- (d) **Payments Out of Usual Course** – make any payments to any person other than in the normal course of the Borrower's business;
- (e) **Make Loans** – make loans or extend credit to any person (including specifically if it is a corporation, any directors, officers or shareholders of the Borrower and any person related by blood or marriage to such persons or any corporation controlled by such person or relative or by the Borrower) except customers of the Borrower in the ordinary course of business;
- (f) **Reduce Capital** – if it is a corporation, purchase or redeem any of its shares or otherwise reduce its share capital;
- (g) **Alter Share Structure** – if it is a corporation, in any way vary or alter its share structure;
- (h) **Declare Dividends** – if it is a corporation, declare or provide for any dividends or other payments based upon share capital;
- (i) **Borrow Elsewhere** – raise or borrow any money from any person other than the Credit Union, members of the Borrower and trade creditors in the ordinary course of business;
- (j) **Guarantee** – guarantee, indemnify any person for, or endorse for accommodation, the obligations of any other person, directly or indirectly; or
- (k) **Sell Property** – sell, agree to sell or otherwise dispose of any of the Property subject to a specific mortgage or charge under the Securities;

#### PART 8 — EVENTS OF DEFAULT

- 8.1 Events of Default** – The whole of the outstanding balance of the Term Loan (including principal, interest and all Other Amounts) will immediately become due and payable and the Securities will become enforceable in each and every of the following events:
- (a) **Default** – if the Borrower fails to observe or perform something hereby required to be done or some covenant or condition hereby required to be observed or performed;
  - (b) **Permits To Be Done** – if the Borrower does, or permits to be done, anything which the Borrower has herein agreed not to do or permit to be done;
  - (c) **Misrepresentation** – if any representation or warranty given by the Borrower (or any director or officer thereof if the Borrower is a corporation) is untrue in any material respect;
  - (d) **Winding Up** – if the Borrower is a corporation and if an order is made or a resolution passed for the winding up of the Borrower, or if a petition is filed for the winding up of the Borrower;
  - (e) **Bankruptcy** – if the Borrower commits or threatens to commit any act of bankruptcy or becomes insolvent or makes an assignment or proposal under the Bankruptcy and Insolvency Act or a general assignment in favour of its creditors or a bulk sale of its assets, or if a bankruptcy petition is filed or presented against the Borrower;
  - (f) **Arrangement** – if the Borrower is a corporation and if any proceedings with respect to the Borrower are commenced under the Companies Creditors Arrangement Act;
  - (g) **Execution Etc.** – if any execution, sequestration, extent or any other process of any Court be-come enforceable against the Borrower or if a distress or analogous process is levied against the property of the Borrower or any part thereof;
  - (h) **Other Indebtedness** – if the Borrower permits any sum which has been admitted as due by the Borrower or is not disputed to be due by the Borrower and which forms or is capable of being made a charge upon any of the Property in priority to the Securities to remain unpaid after proceedings have been taken to enforce the same as a prior charge;
  - (i) **Default in Other Payment** – if the Borrower defaults in payment of any indebtedness or liability to the Credit Union (whether secured hereby or not) or to any other lender;

- (j) **Sale or Lease** – if, without the prior written consent of the Credit Union, the Borrower sells, agrees to sell, leases, agrees to lease or otherwise disposes or agrees to dispose of the Lands or any part or parts thereof or any interest therein;
  - (k) **Mortgage or Encumbrance** – if, without the prior written consent of the Credit Union, the Borrower grants or agrees to grant any further mortgage of the Lands or any part or parts thereof or any interest therein or otherwise permits the Lands to be encumbered in any manner other than by Permitted Encumbrances (if mortgage secured);
  - (l) **Change of Control** – if the Borrower is a corporation and if, without the prior written consent of the Credit Union, there is in the opinion of the Credit Union a change of effective control of the Borrower;
  - (n) **Change in Risk** - if, in the sole opinion of the Credit Union, a material adverse change in risk occurs; or
  - (m) **Default Under Securities** – if an event of default occurs under any of the Securities.
- 8.2 Waiver** – The Credit Union may waive any Event of Default, provided always that no waiver by the Credit Union or any failure to take any action to enforce its rights or to enforce or any security will extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom.
- 8.3 Remedies Not Restrictive** – All remedies stipulated for by the Credit Union hereunder or in any of the Securities will be deemed to be in addition to and not restrictive of the remedies which the Credit Union might be entitled to at law or in equity and the Credit Union may realize any of the Securities or any part thereof in such order as it may be advised and any such realization by any means will not bar realization of any other security or any part or parts thereof nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof nor will the failure on the part of the Credit Union or any delay in exercising any rights under this Agreement or any of the Securities operate as a waiver.
- 8.4 Set Off** – If an Event of Default has occurred and is continuing, in addition to and not in limitation of any rights now or hereafter granted under applicable law or the Securities, the Credit Union may without notice to the Borrower and at any time and from time to time set off, apply or transfer any or all sums owing from time to time by the Lender to the Borrower towards the satisfaction of the outstanding balance of the Term Loan (including principal, interest and Other Amounts).
- 8.5 Indemnity** – Notwithstanding any other provision of this Agreement, the Borrower will fully indemnify and hold the Credit Union harmless from and against any loss, expense, damage or liability incurred by it which the Credit Union may sustain or incur as a result of any Event of Default.
- 8.6 Effect of Accepted Offer to Extend** – If the Offer to Extend is accepted, as and from the Date of Acceptance:
- (a) This Agreement will be amended without anything further required;
  - (b) Any reference in this document to “Agreement” means “this Agreement as amended in accordance with Part 9 of these Standard Terms and Conditions — Term Loan and/or Operating Loan”; and
  - (c) The provisions of the Offer to Extend will be binding upon the Borrower, the Credit Union, the Covenantor and each owner of any mortgage, charge, lien or other encumbrance registered on or after the Date of Acceptance.

## PART 9 — RENEWAL TERMS – TERM LOAN

- 9.1 Extension of Balance Due Date** – If the Credit Union is willing to extend the Balance Due Date, the Credit Union will, before the Balance Due Date, send an offer (the “Offer to Extend”) to the Borrower offering to extend the Balance Due Date and to modify this Agreement. The Offer to Extend will also state:
- (a) If the Credit Union is offering only one Balance Due Date, interest rate and regular periodic payment to the Borrower:
    - (i) The proposed new Balance Due Date;
    - (ii) The proposed interest rate payable under this Agreement after the Balance Due Date which is to be extended; and
    - (iii) If equal combined payments of principal and interest are to be made, the amount of equal combined payments of principal and interest to be made during the extension period;
  - (b) If the Credit Union is offering alternative new Balance Due Dates, interest rates and regular periodic payments to the Borrower:
    - (i) The proposed alternative new Balance Due Dates;

- (ii) The proposed alternative new interest rates;
- (iii) If equal combined payments of principal and interest are to be made, the amount of equal combined payments of principal and interest to be made during the extension period of the alternative selected; and
- (iv) Any other amendments that the Credit Union proposes to make to this Mortgage.

**9.2 Rejection of Offer to Extend** – The Borrower may only reject the Offer to Extend by written notice to the Credit Union before the Balance Due Date then in effect.

**9.3 Acceptance of Offer to Extend** – The Borrower may only accept the Offer to Extend by giving the Credit Union, before the Balance Due Date then in effect, written notice accepting the Offer to Extend, signed by the Borrower and the Covenantor, specifying the alternative selected by the Borrower if the Credit Union has offered alternatives.

**9.4 Date of Acceptance** – If the Offer to Extend is accepted, the date of acceptance (the “Date of Acceptance”) will be the date on which the Credit Union receives the written notice from the Borrower accepting the Offer to Extend.

**9.5 Effect of Accepted Offer to Extend** – If the Offer to Extend is accepted, as and from the Date of Acceptance:

- (a) This Agreement will be amended without anything further required;
- (b) Any reference in this document to “Agreement” means “this Agreement as amended in accordance with Part 9 of these Standard Terms and Conditions — Term Loan”; and
- (c) The provisions of the Offer to Extend will be binding upon the Borrower, the Credit Union, the Covenantor and each owner of any mortgage, charge, lien or other encumbrance registered on or after the Date of Acceptance.

## **PART 10 — NOTICES**

**10.1 Notices** – All notices which may or are required to be given herein or pursuant to this Agreement or relating to the Securities shall be in writing and may be given

- (a) Personally by serving the same upon the party (or any officer of the party if it is a corporation) to be served, or
- (b) By mail by posting the same by prepaid registered mail addressed:
  - (i) To the Borrower at the address of the Borrower set forth on page 1 of the letter part of this Agreement;
  - (ii) To the Credit Union at the address of the Credit Union set forth on page 1 of the letter part of this Agreement;
  - (iii) To the Covenantor, if any, at the address of the Covenantor shown in the Covenantor Provision, if any, of this Agreement;

Or such other addresses as the parties may advise by notice in writing, or

- (c) By facsimile transmission to the following telephone numbers but addressed in the manner set out in (b):
  - (i) To the Borrower at such fax number, if any, as the Borrower may provide to the Credit Union;
  - (ii) To the Credit Union at the fax number of the Credit Union shown on page 1 of the letter part of this Agreement;
  - (iii) To the Covenantor, if any, at such fax number, if any, shown in the Covenantor Provision, if any, of this Agreement;

Or such other facsimile telephone numbers as the parties may advise by notice in writing.

**10.2 Receipt of Notice** – Subject to sections 10.3 and 10.4, any notice shall be deemed to have been received and effectively served

- (a) If served personally, at the time of delivery,
- (b) If mailed, on the third Business Day following posting, and

(c) If sent by facsimile transmission, at the time of transmission.

- 10.3 Deemed Receipt Next Business Day** – Notwithstanding any other provisions of this Agreement any notice received or otherwise deemed received after 4:30 p.m. (Pacific time) on a Business Day or on a day which is not a Business Day will be deemed to have only been received on the next Business Day.
- 10.4 Delays** – In the event that, at the time a notice is mailed or at any time during the period of three Business Days following such mailing, postal or airline or airport employees are engaged in a strike, work slowdown or other work stoppage at the place at which the notice is mailed or at the place to which the notice is mailed or at any point through which such notice must pass, such notice will be deemed to have been given and received at the time when such notice would be received in the ordinary course of the mails, allowing for such strike, work slowdown or other work stoppage.

## PART 11 — TERMINATION

- 11.1 Termination of Agreement – Term Loan** - This Agreement will continue in full force and effect until the outstanding balance of Term Loan (including principal, interest and all Other Amounts) has been paid in full.
- 11.2 Termination of Agreement - Operating Loan** - This Agreement will continue in full force and effect until the outstanding balance of Operating Loan has been paid in full together with all interest, and Other Amounts in connection therewith and either
- (a) The Credit Union
    - (i) Has demanded payment in full of the Operating Loan, or
    - (ii) Has delivered notice to the Borrower terminating this Agreement, or
  - (b) The Borrower has delivered notice to the Credit Union terminating this Agreement.

## PART 12 — GENERAL

- 12.1 No Obligation to Advance Term Loan** – Notwithstanding any other provisions hereof neither the execution of this Agreement nor the execution and delivery of the Securities or any other security required and from time to time given by the Borrower to the Credit Union will bind the Credit Union to advance the Term Loan nor will the advance of any part thereof bind the Credit Union to advance any un-advanced portion thereof.
- 12.2 Obligation to Advance Operating Loan** Until repayment of the outstanding balance of the Operating Loan has been demanded by the Credit Union or the Borrower has delivered notice to the Credit Union terminating this Agreement, the Credit Union will be obliged to make advances on account of the Operating Loan in accordance with the provisions hereof.
- 12.3 Records** – The information in the records of the Credit Union as to the Account and as to the Borrower being in default of this Agreement or the Securities or any of them and the amount outstanding hereunder and thereunder will be prima facie evidence of the obligations of the Borrower hereunder and under the Securities. The Borrower will, on reasonable notice to the Credit Union, be entitled to obtain extracts of all entries made in such records.
- 12.4 Form of Cheques** All cheques drawn on the Account by the Borrower will be in a form supplied by the Credit Union or in a form otherwise satisfactory to the Credit Union.
- 12.5 Costs** – The Borrower will pay the costs of and incidental to the drawing, execution and delivery of this Agreement and of the drawing, execution, delivery and registration of the Securities or any other securities required to or from time to time given by the Borrower to the Credit Union and at its option the Credit Union may pay the said costs for the account of the Borrower and may debit the Account for the said costs.
- 12.6 Service Charges** The Borrower will pay to the Credit Union the Credit Union's applicable handling and service charges in connection with the Account and the handling and processing of cheques drawn thereon.
- 12.7 Assignment by Borrower** – The Borrower will not be entitled to assign any of its rights hereunder except with the prior written consent of the Credit Union.

- 12.8 Assignment by Credit Union** – The Credit Union may assign its rights hereunder, in whole or in part, but will not assign its rights or any interest under any of the Securities without also assigning the same proportionate rights or interest in this Agreement to the assignee of the Securities.
- 12.9 Solicitor's Opinion** – The whole of the arrangements described in this Agreement are subject to the solicitors for the Credit Union being satisfied as to the title of the Lands, the form and content of the Securities, the corporate status of the Borrower (if the Borrower is a corporation) and any corporate covenantor and as to all legal matters pertaining to the Term Loan and compliance with the conditions herein, subject always to the right of the solicitors for the Credit Union to require an opinion from the solicitors for the Borrower pertaining to any of the aforesaid.
- 12.10 Further Assurances** – The Borrower will do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including certificates, declarations, affidavits, reports and opinions) and things as the Credit Union may reasonably request for the purpose of giving effect to this Agreement or for the purpose of establishing compliance with the representations, warranties and conditions of this Agreement or any of the Securities.
- 12.11 Non-Merger** – The taking of a judgment or judgments or any other action or dealing whatsoever by the Credit Union in respect of any security given by the Borrower to the Credit Union will not operate as a merger of any indebtedness of the Borrower to the Credit Union or in any way suspend payment or affect or prejudice the rights, remedies and powers, legal or equitable, which the Credit Union may have in connection with such indebtedness and the foreclosure, surrender, cancellation or any other dealing with any such security will not release or affect the liability of the Borrower, or release or affect any of the Securities or any other security held by the Credit Union.
- 12.14 Examinations of Books Etc.** – The Credit Union will have the right whenever it deems reasonably necessary either by its officers or authorized agents to enter upon the Borrower's premises and to inspect the undertaking, property and assets of the Borrower, all books of account and records of the Borrower and copies of all returns made from time to time by the Borrower to boards, agencies or governmental departments (including the Department of National Revenue) and to make extracts therefrom and generally to conduct such examinations as it may see fit and without limiting the generality of the foregoing, the Credit Union may request information from the solicitor, auditor and other advisors and agents of the Borrower for the time being concerning the affairs and the conduct of business of the Borrower and the Borrower hereby irrevocably authorizes and directs and this will constitute the sufficient authority and direction to any such solicitor, auditor or other person to disclose to the Credit Union such information as to any and all matters touching upon the affairs and conduct of the business of the Borrower whether of confidential nature or otherwise and any costs, expenses and outlays which the Credit Union may incur pursuant hereto may be charged to the Account.
- 12.15 Extension of Dates** - The Credit Union may extend all relevant dates, including those contained in this Agreement in the event of fires, strikes, and Acts of God and other events beyond the Borrower's reasonable control and the Borrower will pay all resulting costs to the Credit Union of extending the date or dates.
- 12.14 Enurement** – This Agreement and all its provisions will enure to the benefit of and be binding upon the parties hereto, their successors and assigns.
- 12.15 Statute References** – A reference in this document to a particular statute means the statute as amended from time to time and any statute substituted therefore.
- 12.16 Electronic Mail and Fax Transmission** - The Credit Union is entitled to rely on any agreement, document or instrument provided by the Borrower and/or any Indemnitor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Credit Union is further entitled to assume that any communication from the Borrower and/or any Indemnitor received by electronic mail or fax transmission is a reliable communication from the Borrower and/or any Indemnitor.
- 12.17 Electronic Imaging** - The parties hereto agree that, at any time, the Credit Union may convert paper records of this Agreement and all other documentation delivered to the Credit Union (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Credit Union's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**DETERMINATION OF PRINCIPAL AND INTEREST COMPONENTS OF MONTHLY PAYMENTS**

(If Principal and Interest – Floating Rate)

In this Section

“Interest Rate” means that variable rate of interest per annum, payable at any particular time under and pursuant to the Term Loan Agreement to which this Schedule is attached;

“Outstanding Balance” means the outstanding balance of principal and interest on the immediately previous Payment Date (as hereinafter defined) after deduction of the amount of the payment made on that Payment Date;

“Payment Date” means the date upon which a payment is received by the Credit Union;

To determine how much of each payment constitutes interest and how much constitutes principal it is necessary to determine the amount of interest accrued since the previous Payment Date. The amount of interest accrued since the previous Payment Date will constitute the interest portion of the payment and the balance of the payment, if any, will constitute principal being repaid.

Set forth below is a method for determining the amount of interest accrued during any particular period. If the Interest Rate has not changed during the period only one calculation will be required. If the Interest Rate has changed during the period separate calculations will be required with respect to the number of days that a different Interest Rate applied during the period.

**Method**

Multiply (a) the Outstanding Balance by (b) the Interest Rate expressed as a fraction with 100 as the denominator and multiply that product by (c) the quotient derived by dividing (i) the number of days since the previous Payment Date (include the present Payment Date but not the previous Payment Date) by (ii) the number of days in the year.

Outstanding Balance after previous payment (a)

- x Interest Rate as a fraction (b)
- x No. of days in period (i) ÷ No. of days in the year (ii) (c)
- = Interest accrued during period

Example

If the Outstanding Balance after the previous payment was \$75,000, the Interest Rate during the period is 14% per annum compounded monthly and the number of days since the previous Payment Date is 31 the interest component of the payment may be determined as follows:

$$\$75,000 \times 14/100 \times 31/365 = \$891.78$$

If the Interest Rate has changed since the previous Payment Date the interest accrued may be determined by

1. calculating interest for the number of days of the period at the Interest Rate prevailing on the previous Payment Date,
2. calculating interest for the number of days of the period at the new Interest Rate,
3. adding the amounts of 1 and 2.

If the Interest Rate is changed more than once during the period, step 2 above must be repeated for the number of days at each new Interest Rate.

**TABLE OF EQUIVALENT RATES**  
 (If Principal and Interest – Floating Rate)

<b>Interest Rates Compounded Monthly</b>	<b>Equivalent Interest Rates Compounded Semi-Annually</b>	<b>Interest Rates Compounded Monthly</b>	<b>Equivalent Interest Rates Compounded Semi-Annually</b>
0	0	12.75	13.093508
.25	0.250130	13.00	13.357210
.50	0.500521	13.25	13.621184
.75	0.751173	13.50	13.885431
1.00	1.002086	13.75	14.149949
1.25	1.253260	14.00	14.414740
1.50	1.504695	14.25	14.679805
1.75	1.756393	14.50	14.945141
2.00	2.008352	14.75	15.210752
2.25	2.260573	15.00	15.476636
2.50	2.513057	15.25	15.742793
2.75	2.765803	15.50	16.009224
3.00	3.018813	15.75	16.275929
3.25	3.272085	16.00	16.542909
3.50	3.525620	16.25	16.810164
3.75	3.779419	16.50	17.077693
4.00	4.033182	16.75	17.345497
4.25	4.287808	17.00	17.613577
4.50	4.542399	17.25	17.881932
4.75	4.797254	17.50	18.150562
5.00	5.052373	17.75	18.419469
5.25	5.307757	18.00	18.688652
5.50	5.563407	18.25	18.958111
5.75	5.819321	18.50	19.227848
6.00	6.075501	18.75	19.497861
6.25	6.331947	19.00	19.768151
6.50	6.588659	19.25	20.038717
6.75	6.845636	19.50	20.309562
7.00	7.102880	19.75	20.580684
7.25	7.360391	20.00	20.852085
7.50	7.618168	20.25	21.123764
7.75	7.876212	20.50	21.395720
8.00	8.134524	20.75	21.667956
8.25	8.393103	21.00	21.940471
8.50	8.651949	21.25	22.213265
8.75	8.911064	21.50	22.486338
9.00	9.170447	21.75	22.759690
9.25	9.430097	22.00	23.033323
9.50	9.690017	22.25	23.307235
9.75	9.950205	22.50	23.581429
10.00	10.210662	22.75	23.855902
10.25	10.471389	23.00	24.130656
10.50	10.732385	23.25	24.405691
10.75	10.993650	23.50	24.681007
11.00	11.255186	23.75	24.956604
11.25	11.516991	24.00	25.232484
11.50	11.779067	24.25	25.508644
11.75	12.041413	24.50	25.785087
12.00	12.304030	24.75	26.061813
12.25	12.566918	25.00	26.338821
12.50	12.830077		

### COMMERCIAL INSURANCE REQUIREMENT - SCHEDULE

1. The Borrower will arrange insurance in a form acceptable to the Credit Union for the full insurable value of the pledged property, but in no event for less than the appraised or replacement value, and will insure and keep insured all buildings, fixtures, equipment, inventories and improvements located on the property. The insurance shall:
  - (a) Contain a clause in the policy specifying **Loss Payable firstly to the Credit Union** as mortgagee at the address for notices to the Credit Union;
  - (b) Contain a mortgage clause in a form acceptable to the Credit Union as such as the industry approved (IBC) Standard Mortgage Clause. The clause must specify that the Credit Union is the mortgagee;
  - (c) Allow for partial occupancy;
  - (d) Contain the following **specific coverages**:
    - i. All property of every kind and description: All risks of direct physical loss or damage (**Commercial Broad Form**). Maximum deductible \$ 25,000.
    - ii. **Replacement Cost Endorsement** including **Bylaws Coverage**.
    - iii. **Stated Amount Coinsurance** Clause
    - iv. **Flood Coverage**, subject to a maximum deductible of \$ 25,000. (if in a floodplain as designated by the Province of BC)
    - v. **Sewer Backup** subject to a maximum deductible of \$ 25,000
    - vi. **Comprehensive Boiler and Machinery** coverage; Replacement Cost, Direct Damage Comprehensive Form including miscellaneous electrical and mechanical apparatus, Extra Expense, Bylaws Coverage, including Air Conditioning, and Business Interruption Coverage for any loss arising from Boiler or Machinery Breakdown.
    - vii. **Comprehensive General Liability** not less than \$3,000,000 and max. deductible of \$25,000 including the following coverages:
      - Owners' and/or contractors' protective liability
      - Bodily injury, Death, Personal Injury, and Property Damage
      - Products and Completed Operations
      - Medical Expenses
      - Tenants Legal Liability (Broad Form) coverage (if applicable)
      - Malpractice or Professional Liability (if applicable)
      - Cross Liability
      - Limits: Each accident or occurrence – \$3,000,000. Aggregate – \$5,000,000
    - viii. **Business Interruption Coverage** in a form acceptable to the Credit Union insuring against loss of profits (Profits Form) resulting from at least those risks specified above, including, without limiting the foregoing, any loss attributable to Boiler and Machinery Breakdowns or accidents, and under which the period of indemnity will not be less than 12 months. Coverage is to be to the extent of not less than 100% of such loss of profits.
    - ix. **Rental Income Loss** coverage (if leased property) in a form acceptable to the Credit Union insuring against loss or rent, rental value, or other payments required to be paid or made by tenants resulting from at least those risks specified above, including, without limiting the foregoing, any loss attributable to Boiler and Machinery breakdowns or accidents, and under which the period of indemnity will not be less than 12 months. Coverage is to the extent of not less than 100% of such loss of rents.
    - x. **Environmental Impairment Liability** (EIL) coverage insuring against sudden and accidental pollution and covering the Third Party Bodily Injury and Property Damage (including defence costs) claims (if hazardous materials used in business operation)
    - xi. **First party Pollution/Clean-Up** coverage for clean-up costs incurred to comply with government orders or regulations for remediation of contamination on scheduled owned property (if hazardous materials kept onsite)
    - xii. **Above and Underground Storage Tank Coverage** (if tanks onsite) for on-site clean-up expenses and Third Party Bodily and Property Damage Liability resulting from sudden and accidental and gradual pollution events involving storage tanks.
2. Annual renewals of the insurance policies are to be provided to the Credit Union promptly each year to confirm continuous coverage.
3. If the Borrower is not the beneficial owner of the property, all beneficial owners are also to be shown as named insureds on the insurance policies and in the event of a change in beneficial ownership, the change is to be reflected in the insurance policies.
4. To confirm adequate coverage, the Credit Union may, at its discretion, have its insurance consultant review all policies of insurance.



**CUMIS – WAIVER OF COVERAGE FORM**

CUMIS Life Insurance Company  
 P.O. Box 5065, 151 North Service Rd., Burlington, Ontario L7R 4C2  
 Tel: 905-632-1221 / 1-800-263-9120 Fax: 1-800-254-4614

**(Create One Form for Each Eligible Individual)**

<b>Policyholder</b>	First West Credit Union
<b>Product</b>	Group Mortgage Protection
<b>Loan and Amount</b>	See Section 2 Credit Facilities

<b>Name of Individual Waiving Coverage</b>	Talbir Mann
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<b>Borrower</b>	Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD
<b>Branch</b>	North Delta

<b>Form Prepared by</b>	Don Abeywardena
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***Insurance Coverage (for each of the four coverage options below select the primary reason for waiver)***

Life Insurance	Disability Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

Loss of Income Insurance	Critical Illness Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

I acknowledge that insurance coverage is available to provide the above noted insurance protection on my loan with the Policyholder.

I elect **not** to apply for insurance protection on this loan.

*Tal Mann*

Talbir Mann



**CUMIS – WAIVER OF COVERAGE FORM**

CUMIS Life Insurance Company  
 P.O. Box 5065, 151 North Service Rd., Burlington, Ontario L7R 4C2  
 Tel: 905-632-1221 / 1-800-263-9120 Fax: 1-800-254-4616

**(Create One Form for Each Eligible Individual)**

<b>Policyholder</b>	First West Credit Union
<b>Product</b>	Group Mortgage Protection
<b>Loan and Amount</b>	See Section 2 Credit Facilities

<b>Name of Individual Waiving Coverage</b>	Harry Ma
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<b>Borrower</b>	Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD
<b>Branch</b>	North Delta

<b>Form Prepared by</b>	Don Abeywardena
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**Insurance Coverage (for each of the four coverage options below select the primary reason for waiver)**

Life Insurance	Disability Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

Loss of Income Insurance	Critical Illness Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

I acknowledge that insurance coverage is available to provide the above noted insurance protection on my loan with the Policyholder.

I elect **not** to apply for insurance protection on this loan.

*Harry Ma*

Harry Ma



**CUMIS – WAIVER OF COVERAGE FORM**

CUMIS Life Insurance Company  
 P.O. Box 5065, 151 North Service Rd., Burlington, Ontario L7R 4C2  
 Tel: 905-632-1221 / 1-800-263-9120 Fax: 1-800-254-4614

**(Create One Form for Each Eligible Individual)**

<b>Policyholder</b>	First West Credit Union
<b>Product</b>	Group Mortgage Protection
<b>Loan and Amount</b>	See Section 2 Credit Facilities

<b>Name of Individual Waiving Coverage</b>	Lawrence Kwok Leung Chan
--	--------------------------

<b>Borrower</b>	Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD
<b>Branch</b>	North Delta

<b>Form Prepared by</b>	Don Abeywardena
-------------------------	-----------------

**Insurance Coverage (for each of the four coverage options below select the primary reason for waiver)**

Life Insurance	Disability Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

Loss of Income Insurance	Critical Illness Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

I acknowledge that insurance coverage is available to provide the above noted insurance protection on my loan with the Policyholder.

I elect **not** to apply for insurance protection on this loan.

\_\_\_\_\_  
 Lawrence Kwok Leung Chan



**CUMIS – WAIVER OF COVERAGE FORM**

CUMIS Life Insurance Company  
 P.O. Box 5065, 151 North Service Rd., Burlington, Ontario L7R 4C2  
 Tel: 905-632-1221 / 1-800-263-9120 Fax: 1-800-254-4614

**(Create One Form for Each Eligible Individual)**

<b>Policyholder</b>	First West Credit Union
<b>Product</b>	Group Mortgage Protection
<b>Loan and Amount</b>	See Section 2 Credit Facilities

<b>Name of Individual Waiving Coverage</b>	Dennis Tin Tsi Jung
--	---------------------

<b>Borrower</b>	Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD
<b>Branch</b>	North Delta

<b>Form Prepared by</b>	Don Abeywardena
-------------------------	-----------------

**Insurance Coverage (for each of the four coverage options below select the primary reason for waiver)**

Life Insurance	Disability Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

Loss of Income Insurance	Critical Illness Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

I acknowledge that insurance coverage is available to provide the above noted insurance protection on my loan with the Policyholder.

I elect **not** to apply for insurance protection on this loan.

*Dennis Tsi Jung*

Dennis Tin Tsi Jung

<b>Policyholder</b>	First West Credit Union
<b>Product</b>	Group Mortgage Protection
<b>Loan and Amount</b>	See Section 2 Credit Facilities

<b>Name of Individual Waiving Coverage</b>	Adrian Phillipe Chan
--	----------------------

<b>Borrower</b>	Wood Lock Developments LTD,1281826 B.C. LTD.,1281805 B.C. LTD Joint Venture
<b>Branch</b>	North Delta

<b>Form Prepared by</b>	Don Abeywardena
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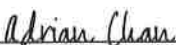
**Insurance Coverage (for each of the four coverage options below select the primary reason for waiver)**

Life Insurance	Disability Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

Loss of Income Insurance	Critical Illness Insurance
<input type="checkbox"/> Agrees to assign existing insurance	<input type="checkbox"/> Agrees to assign existing insurance
<input type="checkbox"/> Loan protected by another CUMIS product	<input type="checkbox"/> Loan protected by another CUMIS product
<input type="checkbox"/> Already has enough insurance	<input type="checkbox"/> Already has enough insurance
<input checked="" type="checkbox"/> Too expensive	<input checked="" type="checkbox"/> Too expensive
<input type="checkbox"/> Covered under benefit plan	<input type="checkbox"/> Covered under benefit plan
<input type="checkbox"/> Does not believe in insurance	<input type="checkbox"/> Does not believe in insurance
<input type="checkbox"/> Does not qualify	<input type="checkbox"/> Does not qualify

I acknowledge that insurance coverage is available to provide the above noted insurance protection on my loan with the Policyholder.

I elect **not** to apply for insurance protection on this loan.

  
 \_\_\_\_\_  
 Adrian Phillipe Chan

**PERSONAL INFORMATION CONSENT**

I consent to the Lender and its agents and representatives collecting, using, and disclosing my personal information to:

- a) verify my identity and maintain records of my personal information, in accordance with the Lender’s requirements to manage its risk arising from its operations or as otherwise required by law, including money laundering laws and regulations, which may include checking my identity against watch lists;
- b) facilitate the collection of debts owing by me, or for which I am financially responsible, to the Lender; c) protect me, the third party for whom I am acting, if applicable, or the Lender from error and fraud, such as identity theft;
- d) process this application and set up, manage, administer, and maintain my account; and
- e) keep my records separate from others with the same name.

I consent to the Financial Institution communicating with me, or the third party for whom I am acting, by any means, including mail, in person, email, or otherwise for administrative purposes related to products and services which I currently have or may request in the future.

I understand that my social insurance number (SIN) will be collected, used, and disclosed as required by law for income tax reporting purposes. Providing my SIN for purposes not required by law is optional. The Financial Institution and its agents and representatives may use my SIN to keep my records separate from other individuals with the same name and to identify me (including for credit reporting purposes, as applicable). I understand that my consent to these additional uses is optional and may be withdrawn at any time by contacting the Financial Institution.

I understand that my personal information may be transferred to service providers located in other countries, and that in such case my personal information may be accessible by law enforcement and national security agents in those countries.

**Personal information Consent Withdrawal**

I can withdraw any consent I give below for the collection, use, and disclosure of my personal information at any time by contacting the Lender. I may be asked to provide a request in writing. If I withdraw my consent, I understand that the Lender may no longer be able to provide me or the third party for whom I am acting, if applicable, with a product(s) and/or service(s).

**Privacy Policy**

The Lender’s privacy policy can be found at the bottom right-hand side of our external website under Privacy & Security.

Tal Mann  
Talbir Mann

**PERSONAL INFORMATION CONSENT**

I consent to the Lender and its agents and representatives collecting, using, and disclosing my personal information to:

- a) verify my identity and maintain records of my personal information, in accordance with the Lender’s requirements to manage its risk arising from its operations or as otherwise required by law, including money laundering laws and regulations, which may include checking my identity against watch lists;
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*Harry Ma*

Harry Ma

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\_\_\_\_\_  
Lawrence Kwok Leung Chan

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Dennis Tin Tsi Jung

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### PERSONAL INFORMATION CONSENT

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#### Privacy Policy

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*Adrian Chan*

Adrian Phillipe Chan

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**This is Exhibit "F" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**

**Business Debtor - "1281805 B.C. LTD."**

**Search Date and Time:** March 26, 2026 at 3:17:51 pm Pacific time  
**Account Name:** MCEWAN COOPER KIRKPATRICK LLP

**TABLE OF CONTENTS**

3 Matches in 3 Registrations in Report

Exact Matches: 3 (\*)

Total Search Report Pages: 7

	<b>Base Registration</b>	<b>Base Registration Date</b>	<b>Debtor Name</b>	<b>Page</b>
1	<a href="#">641422P</a>	July 4, 2023	* 1281805 B.C. LTD.	<a href="#">2</a>
2	<a href="#">642240P</a>	July 4, 2023	* 1281805 B.C. LTD.	<a href="#">4</a>
3	<a href="#">952379Q</a>	February 20, 2025	* 1281805 B.C. LTD.	<a href="#">6</a>

**Base Registration Number: 641422P**

<b>Registration Description:</b>	PPSA SECURITY AGREEMENT
<b>Act:</b>	PERSONAL PROPERTY SECURITY ACT
<b>Base Registration Date and Time:</b>	July 4, 2023 at 7:17:44 am Pacific time
<b>Current Expiry Date and Time:</b>	July 4, 2033 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

**CURRENT REGISTRATION INFORMATION**  
(as of March 26, 2026 at 3:17:51 pm Pacific time)

**Secured Party Information**

<b>FIRST WEST CREDIT UNION</b>	<b>Address</b> #200-19933 88TH AVENUE LANGLEY BC V2Y 4K5 Canada
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**Debtor Information**

<b>WOOD LOCK DEVELOPMENTS LTD.</b>	<b>Address</b> SUITE 1500, 13450 102ND AVENUE SURREY BC V3T 5X3 Canada
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<b>1281805 B.C. LTD.</b>	<b>Address</b> SUITE 1500, 13450 102ND AVENUE SURREY BC V3T 5X3 Canada
--------------------------	---

<b>1281826 B.C. LTD.</b>	<b>Address</b> SUITE 1500, 13450 102ND AVENUE SURREY BC V3T 5X3 Canada
--------------------------	---

**Vehicle Collateral**

None

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**General Collateral**

**Base Registration General Collateral:**

COMMERCIAL SECURITY AGREEMENT

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.

---

**Original Registering Party**

**WILSON, RASMUSSEN LLP**

**Address**

SUITE 300 15127-100TH AVENUE  
SURREY BC  
V3R 0N9 Canada

**Base Registration Number: 642240P**

<b>Registration Description:</b>	PPSA SECURITY AGREEMENT
<b>Act:</b>	PERSONAL PROPERTY SECURITY ACT
<b>Base Registration Date and Time:</b>	July 4, 2023 at 10:45:59 am Pacific time
<b>Current Expiry Date and Time:</b>	July 4, 2033 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

**CURRENT REGISTRATION INFORMATION**

(as of March 26, 2026 at 3:17:51 pm Pacific time)

**Secured Party Information**

**FIRST WEST CREDIT UNION**

**Address**

#200-19933 88TH AVENUE  
LANGLEY BC  
V2Y 4K5 Canada

**Debtor Information**

**WOOD LOCK DEVELOPMENTS LTD.**

**Address**

1500-13450 102 AVE  
SURREY BC  
V3T 5X3 Canada

**1281805 B.C. LTD.**

**Address**

1500-13450 102 AVE  
SURREY BC  
V3T 5X3 Canada

**1281826 B.C. LTD.**

**Address**

SUITE 1500, 13450 102ND AVENUE  
SURREY BC  
V3T 5X3 Canada

**Vehicle Collateral**

None

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**General Collateral**

**Base Registration General Collateral:**

COMMERCIAL SECURITY AGREEMENT GOODS

ALL MONIES AS MAY BE ON DEPOSIT TO THE CREDIT OF WOOD LOCK DEVELOPMENTS LTD., 1281805 B.C. LTD. AND 1281826 B.C. LTD. FROM TIME TO TIME WITH ENVISION FINANCIAL, A DIVISION OF FIRST WEST CREDIT UNION, INCLUDING BUT NOT LIMITED TO THE TERM DEPOSITS HELD IN THE AMOUNT OF \$2,664,237.00, AND ALL SUBSEQUENT RENEWALS AND EXTENSIONS THERETO, TOGETHER WITH SUCH SHARES AS MAY BE OWNED BY WOOD LOCK DEVELOPMENTS LTD., 1281805 B.C. LTD. AND 1281826 B.C. LTD. IN ENVISION FINANCIAL, A DIVISION OF FIRST WEST CREDIT UNION.

---

**Original Registering Party**

**WILSON, RASMUSSEN LLP**

**Address**

SUITE 300 15127-100TH AVENUE  
SURREY BC  
V3R 0N9 Canada

**Base Registration Number: 952379Q**

<b>Registration Description:</b>	PPSA SECURITY AGREEMENT
<b>Act:</b>	PERSONAL PROPERTY SECURITY ACT
<b>Base Registration Date and Time:</b>	February 20, 2025 at 5:41:07 pm Pacific time
<b>Current Expiry Date and Time:</b>	February 20, 2035 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
<b>Trust Indenture:</b>	No

**CURRENT REGISTRATION INFORMATION**

(as of March 26, 2026 at 3:17:51 pm Pacific time)

**Secured Party Information**

**FIRST WEST CREDIT UNION**

**Address**

200-19933 88 AVE  
LANGLEY BC  
V2Y 4K5 Canada

**Debtor Information**

**1281805 B.C. LTD.**

**Address**

1500-13450 102 AVE  
SURREY BC  
V3T 5X3 Canada

**Vehicle Collateral**

None

## General Collateral

### Base Registration General Collateral:

#### COMMERCIAL ASSIGNMENT OF CREDIT UNION SHARES/DEPOSITS

COMMERCIAL ASSIGNMENT OF CREDIT UNION DEPOSITS IN THE AMOUNT OF: ALL MONIES AS MAY BE ON DEPOSIT TO THE CREDIT OF 1281805 B.C. LTD. FROM TIME TO TIME WITH CREDIT UNION INCLUDING BUT NOT LIMITED TO ALL TERM DEPOSITS HELD INCLUDING BUT NOT LIMITED TO THE TERM DEPOSITS HELD IN THE AMOUNT OF \$876,645.00 AND ALL SUBSEQUENT RENEWALS (INTEREST RESERVE) AND EXTENSIONS THERETO, TOGETHER WITH SUCH SHARES AS MAY BE OWNED BY 1281805 B.C. LTD. IN THE CREDIT UNION.

---

## Original Registering Party

**WILSON, RASMUSSEN LLP**

### Address

SUITE 300 15127-100TH AVENUE  
SURREY BC  
V3R 0N9 Canada

**This is Exhibit "G" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**

**1281805 BC LTD — EVERWOOD PHASE 1***Cash Flow Summary | Cost to Complete by Building | March – July 2026 (CAD)*

**Project:** 35 Townhouse Development Phase 1  
**Borrower:** 1281805 BC LTD  
**Forecast Period:** March 24, 2026 – July 31, 2026

Description of Work	Mar 31 2026	Apr 31 2026	May 31 2026	Jun 31 2026	Jul 31 2026	Total
<b>HARD COSTS — COMPLETION BY BUILDING</b>						
Building 8	\$28,325	\$34,226	\$37,177	-	-	\$99,729
Building 1	\$108,726	\$57,199	\$164,195	\$269,848	\$12,846	\$612,815
Landscape & Common Areas	\$8,567	\$53,863	\$71,746	\$86,074	\$69,069	\$289,320
<b>SUBTOTAL — HARD COSTS</b>	<b>\$145,619</b>	<b>\$145,289</b>	<b>\$273,119</b>	<b>\$355,922</b>	<b>\$81,916</b>	<b>\$1,001,864</b>
<b>DEFICIENCIES &amp; UPGRADES</b>						
Deficiencies & Upgrades	\$31,349	\$34,578	\$27,982	\$25,458	-	\$119,367
<b>SUBTOTAL — DEFICIENCIES &amp; UPGRADES</b>	<b>\$31,349</b>	<b>\$34,578</b>	<b>\$27,982</b>	<b>\$25,458</b>	<b>-</b>	<b>\$119,367</b>
<b>SOFT COSTS — CONSULTANTS &amp; MARKETING/SALES</b>						
Consultants, Marketing/ Sales	\$137,759	\$48,900	\$24,100	\$18,400	\$13,700	\$214,859
<b>SUBTOTAL — SOFT COSTS</b>	<b>\$137,759</b>	<b>\$48,900</b>	<b>\$24,100</b>	<b>\$18,400</b>	<b>\$13,700</b>	<b>\$214,859</b>
<b>PROJECT MANAGEMENT</b>						
Operating, Project Manager, Site Superintendent	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$175,000
<b>SUBTOTAL — MANAGEMENT &amp; SALARIES</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$35,000</b>	<b>\$175,000</b>
<b>FINANCE, LEGAL &amp; ACCOUNTING</b>						
Finance, Legal, Accounting, Insurance & Strata	\$44,653	\$22,400	\$68,400	\$18,400	\$21,400	\$175,253
<b>SUBTOTAL — FINANCE, LEGAL &amp; ACCOUNTING</b>	<b>\$44,653</b>	<b>\$22,400</b>	<b>\$68,400</b>	<b>\$18,400</b>	<b>\$21,400</b>	<b>\$175,253</b>
<b>NOI, LEGAL &amp; INTEREST</b>						
<b>SUBTOTAL — FINANCE, LEGAL &amp; ACCOUNTING</b>	<b>\$83,000</b>	<b>\$183,000</b>	<b>\$133,000</b>	<b>\$105,000</b>	<b>\$100,000</b>	<b>\$604,000</b>
Contingency	\$23,869	\$23,458	\$28,080	\$27,909	\$12,601	\$114,517
<b>TOTAL COST TO COMPLETE</b>	<b>\$477,379</b>	<b>\$469,167</b>	<b>\$561,601</b>	<b>\$558,180</b>	<b>\$252,016</b>	<b>\$2,404,860</b>

**This is Exhibit "H" referred to in  
Affidavit #1 of Talbir Mann made  
before me on this 31st day of March,  
2026.**



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**A Commissioner for taking Affidavits  
in the Province of British Columbia**



**SUMMARY OF TERMS FOR  
A SENIOR SECURED SUPER-PRIORITY DEBTOR-IN-POSSESSION CREDIT FACILITY  
(the "Binding Term Sheet")**

**DATE:** March 30, 2026

**TO:** 1281805 BC Ltd.  
19951 80A Ave  
Langley, BC, V2Y 0E2

**FROM:** Maynbridge Capital Inc.  
1111 West Hastings Street, Suite 388  
Vancouver, BC, V6E 2J3

*We are pleased to provide you with this Binding Term Sheet, outlining the terms and conditions under which Maynbridge Capital Inc., will be prepared to make a senior secured super-priority debtor-in-possession credit facility available to the Borrower, pursuant to its court-approved power to borrow in the Proceeding. This Binding Term Sheet is binding upon the Borrower and the Lender.*

<b>Borrower:</b>	1281805 BC Ltd. and all other related parties of the Proceeding (collectively, the " <b>Borrower</b> ").
<b>Guarantors:</b>	Wood Lock Developments Ltd, 1281826 BC Ltd. and any other material related parties, personal or corporate, as determined by the Lender (collectively, the " <b>Guarantors</b> ").
<b>Lender:</b>	Maynbridge Capital Inc. (the " <b>Lender</b> ").
<b>BIA Case:</b>	The proceedings (the " <b>Proceedings</b> ") commenced in the Superior Court of British Columbia (the " <b>Court</b> ") pursuant to the Bankruptcy and Insolvency Act (" <b>BIA</b> ").
<b>Proposal Trustee:</b>	FTI or another proposal Proposal Trustee appointed by the Court (the " <b>Proposal Proposal Trustee</b> ").
<b>Credit Facility:</b>	Subject to Court approval in the Proceedings, a non-revolving super-priority senior secured credit facility up to the Maximum Amount (as defined below) would be made available to the Borrower for interim financing on the general terms set out herein (the " <b>DIP Financing</b> ").
<b>Maximum Amount:</b>	The Credit Facility would be made available up to a maximum amount of \$2,400,000 inclusive of any Commitment Fees (defined below) to be financed, subject to the Conditions Precedent herein (the " <b>Maximum Amount</b> ").
<b>Use of Proceeds:</b>	The Credit Facility will be used by the Borrower to fund: (i) the remaining construction costs and operating expenses to complete the final 10 townhomes in Phase 1 and certain approved soft costs relating to 3 completed townhomes in Phase 2 of the development project located at 23697 Fern Crescent., Maple Ridge, BC, V4R 2S9 (the " <b>Project</b> "); (ii) professional fees and expenses associated with the Proceeding; (iii) monthly interest and standby fees on the Credit Facility; iv) the financed portion of the Commitment Fee (\$55,000); and v) the Lender's closing costs and expenses.
<b>Closing Date:</b>	The date on which the Conditions Precedent shall have been satisfied and the initial advance under the Credit Facility has been made by the Lender (the " <b>Closing Date</b> "). The commitment (if any) of the Lender to provide the Credit Facility shall expire and terminate if the Closing Date has not occurred on or before April 30, 2026, or such a later date as the Lender may approve in its sole and absolute discretion.
<b>Maturity Date:</b>	The maturity of the Credit Facility (the " <b>Maturity Date</b> ") shall be the earliest of: a) 6-months from the Closing Date; b) the date on which (i) the stay of proceedings under the Proceedings is lifted without the consent of the Lender, or (ii) the Proceedings are terminated for any reason; c) the conversion of the Proceedings into a proceeding under the Companies Creditors Arrangement Act ("CCAA") or into a receivership under the BIA or applicable provincial statute; and d) 10 days following written notice being provided by the Lender to the Borrower of an Event of Default.
<b>Renewal:</b>	Subject to the terms and conditions in the DIP Credit Facility Agreement (defined below) and receipt of 3.0% of the Maximum Amount, and evidence the Maximum Amount is sufficient to complete the Project, the Credit Facility may be renewed for another 6 months from the Maturity Date by the Lender at its sole

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	and absolute discretion and subject to Court approval.
<b>Interest:</b>	12.00%, calculated daily and payable monthly in arrears on the first business day of each month.
<b>Availability:</b>	On and after the date on which the Conditions Precedent shall have been satisfied, the Borrower may request advances under the Credit Facility by delivering to the Lender not less than five (5) business days prior to the requested advance, a drawdown certificate in form acceptable to the Lender detailing the amount of the requested advance and confirming without limitation the accuracy of all representations and warranties, that no Event of Default has occurred and is continuing, and that the requested advance conforms with the approved cash flow budget.
<b>Documentation:</b>	Any commitment by the Lender in respect of the Credit Facility shall be subject to the negotiation, execution and delivery of a credit agreement containing the terms and conditions outlined herein, as well as standard representations and warranties, conditions precedent, affirmative and negative covenants, events of default, and other clauses usual and customary for a financing of this nature (the " <b>DIP Credit Facility Agreement</b> ") and such other documents as are customary for a financing of this nature, including without limitation, guarantees and security documents.
<b>Commitment Fee:</b>	<p>The Borrower shall pay a one-time commitment fee in an amount of \$80,000 (the "<b>Commitment Fee</b>"). The Commitment Fee shall be non-refundable, fully earned and payable no later than the Closing Date.</p> <p>Of this Commitment Fee, \$25,000 is to be paid in advance (the "<b>Good Faith Deposit</b>") upon issuance and acceptance of this Binding Term Sheet which will be fully earned and non-refundable. The Good Faith Deposit will be credited towards the Commitment Fee due and payable on the Closing Date and the balance of the Commitment Fee of \$55,000 will be financed by the Lender under the Credit Facility.</p> <p>The Lender acknowledges receipt of the \$25,000 non-refundable Good Faith Deposit.</p>
<b>Standby Fee:</b>	The Borrower shall pay a standby fee of 2.50% per annum multiplied by the difference between the Maximum Amount and the amounts outstanding under the Credit Facility from time to time, calculated daily and payable monthly in arrears on the first business day of each month (the " <b>Standby Fee</b> ").
<b>Break Fee:</b>	The Borrower agrees to pay the Lender a break fee in an amount equal to 3.0% of the Maximum Amount (the " <b>Break Fee</b> ") in the event that the Borrower executes this Binding Term Sheet and subsequently obtains Court approval to have an alternative financier provide DIP Financing (the " <b>Alternative DIP Financing</b> "). The Break Fee shall be payable to the Lender immediately following the closing of the Alternative DIP Financing transaction.
<b>Drawdowns:</b>	Drawdowns may be requested by the Borrower in minimum increments of \$200,000.
<b>Repayment:</b>	All amounts outstanding under the Credit Facility including, without limitation, principal, interest and fees, shall be paid to the Lender on the Maturity Date.
<b>Mandatory Prepayments:</b>	All proceeds arising from (i) any disposition or other transaction involving the collateral subject to the Security including, without limitation, any refinancing thereof; and (ii) any insurance proceeds in respect of any of the collateral subject to the Security shall be applied to the repayment of all amounts outstanding under the Credit Facility including, without limitation, principal, interest and fees and any such repayment shall permanently reduce the Maximum Amount available under the Credit Facility.
<b>Security</b>	Security for repayment of the Credit Facility shall be by way of contractual security and a fully perfected court-ordered super-priority charge against all of the assets, properties and undertakings of the Borrower in the Maximum Amount, plus all accrued and unpaid interest and unpaid fees, costs and expenses, subject only to a court-ordered Administration Charge of not more than \$150,000. Additional security or other chargers may be required in order to perfect the security interest of the Lender as determined by its solicitors (the " <b>Security</b> ").
<b>Conditions Precedent:</b>	<p>Customary conditions precedent to closing transactions of this nature, including, without limitation:</p> <ol style="list-style-type: none"> <li>a) Completion by the Lender of all business, financial, legal and environmental due diligence with respect to the Borrower, the collateral and the Credit Facility to the satisfaction of the Lender in its sole discretion;</li> <li>b) Lender commissioned appraisal or opinion of value on the Property, at the Lender's sole discretion;</li> <li>c) Receipt of a third-party Quantity Surveyor Report for the Project, if required by the Lender;</li> <li>d) Reliance letters for any reports as requested by the Lender;</li> <li>e) Issuance of the Initial Order, satisfactory in form and substance to the Lender, approving and authorizing the DIP Credit Documents (defined below) and the Security with the priority contemplated herein, authorizing the establishment of the Credit Facility by the Lender, and such orders being in full force and effect, un-amended and not stayed;</li> </ol>

	<p>f) There will be no appeals, injunctions or other legal impediments relating to the completion of the DIP Financing or pending litigation seeking to restrain or prohibit the completion of the DIP Financing;</p> <p>g) Provision of a Weekly Cash Flow forecast, to the satisfaction of the Lender;</p> <p>h) Detailed construction budget along with costs incurred to date, cost to complete and timetable for the Project;</p> <p>i) Execution of a definitive DIP Credit Facility Agreement and other reasonably required transaction documents, in form and substance satisfactory to the Lender (collectively, the "<b>DIP Credit Documents</b>"), if requested by the Lender;</p> <p>j) The Borrower shall have paid all fees then owing to the Lender including, without limitation, the Commitment Fee;</p> <p>k) Perfected security interests in the Security with the priorities described above, together with the execution and delivery of security documentation and perfection filing from the Lender by the Closing Date; and</p> <p>l) The Lender shall have been named as additional insured and first loss payee on the Borrower's property and casualty insurance policies and Course of Construction insurance.</p> <p>(collectively, the "<b>Conditions Precedent</b>").</p>
<b>Reporting:</b>	<p>a) Monthly cash flow statements from the Borrower as reviewed by the Proposal Trustee;</p> <p>b) On a monthly basis, an updated construction budget which includes the construction costs incurred to date during the Proceedings, the projected cost to complete the project and the remaining timeline to reach substantial completion;</p> <p>c) Evidence of payment of all government priority payables within 15 days of their respective due dates; and</p> <p>d) Any such other reporting the Lender may reasonably request.</p>
<b>Governing Law:</b>	<p>This Binding Term Sheet is governed by and interpreted in accordance with the laws of the Province of British Columbia and the Borrower hereby irrevocably attorns to the jurisdiction of the courts of British Columbia.</p>
<b>Confidentiality:</b>	<p>This Binding Term Sheet is being provided to you on the further condition that its existence and contents will be kept confidential and will not be disclosed without the Lender's prior written consent, except to (i) those of its officers, directors, employees and financial and legal advisors ("<b>Representatives</b>") who have a need to know for the purpose of assessing, negotiating, documenting and carrying out the terms thereof; provided all such Representatives are informed of the confidentiality requirements of this Binding Term Sheet.</p>
<b>Representations and Warranties and Covenants:</b>	<p>The DIP Credit Facility Agreement shall include standard representations and warranties and affirmative and negative covenants for a DIP Financing in a BIA Proceeding.</p>
<b>Events of Default:</b>	<p>The DIP Credit Facility Agreement shall include standard Events of Default for a Credit Facility of this nature, which may include:</p> <p>a) Change of Proposal Trustee. There is a change in the party appointed as Proposal Trustee of the Borrower in the Proceeding without the prior written consent of the Lender;</p> <p>b) Failure of the Borrower to pay principal or interest when due;</p> <p>c) The Borrower fails to cooperate with the Proposal Trustee;</p> <p>d) Any order is issued by the Court (or any other court of competent jurisdiction) that materially adversely affects the Lender;</p> <p>e) The issuance of a court order terminating the Proceeding, lifting the stay of proceedings, appointing a receiver, or granting any charge or encumbrance equal or superior in priority to the Security (other than the Administration Charge, as aforesaid); and</p> <p>f) Subject to a permitted variance in an amount acceptable to the Lender, any payment made by the Borrower that is not contemplated by or within the approved cash flow budget without the Lender's prior written consent.</p>
<b>Legal and Other Costs:</b>	<p>From the date of acceptance of this Binding Term Sheet, the Borrower agrees to be responsible for and to pay all reasonable third party expenses incurred by the Lender in connection with the Credit Facility, including, but not limited to, legal fees and disbursements, appraisals, due diligence, physical inspections and the enforcement and preservation of the Lender's rights and remedies.</p>
<b>Assignability:</b>	<p>The Borrower may not assign any of their rights or obligations. The Lender may assign or transfer, in whole or in part, its rights or pledge its rights under the Binding Term Sheet and the DIP Credit Facility Agreement without the Borrower's consent.</p>
<b>Currency:</b>	<p>All sums of money referred to this Binding Term Sheet are expressed in lawful money of Canada, unless otherwise specified.</p>
<b>Counterpart Execution:</b>	<p>This Binding Term Sheet and all other documents related thereto or arising therefrom may be executed and delivered in any number of counterparts (including by facsimile transmission or other electronic means) and by different parties in separate counterparts, each of which when so executed and delivered</p>

will be deemed to be an original and all of which taken together will constitute one and the same instrument.

This Binding Term Sheet is open for acceptance until 5:00 p.m. PST on March 30, 2026, after which time the summary of terms contained herein shall be automatically withdrawn and no longer available for acceptance.

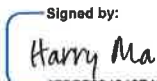
**MAYNBRIDGE CAPITAL INC.**

  
Salvatore Mobilio  
Senior Vice President, Business Development

ACCEPTED this \_\_\_\_ day of 3/31/2026, 2026.

**Borrower**

**1281805 BC Ltd.**

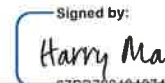
Signed by:  
  
By: \_\_\_\_\_  
Name: Harry Ma  
Title: Director

**Guarantors**

**Wood Lock Developments Ltd.**

DocuSigned by:  
  
By: \_\_\_\_\_  
Name: Tal Mann  
Title: aDirector

**1281826 BC Ltd.**

Signed by:  
  
By: \_\_\_\_\_  
Name: Harry Ma  
Title: Director