

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

**MOTION RECORD OF THE RECEIVER,
BDO CANADA LIMITED**

October 7, 2022

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TAB 1

Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

NOTICE OF MOTION

BDO Canada Limited ("**BDO**"), in its capacity as the Court-appointed receiver (the "**Receiver**") of the Property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario (the "**Property**") will make a motion to a Judge presiding over the Ontario Superior Court of Justice (Commercial List) on a date to be fixed by the Court

PROPOSED METHOD OF HEARING: The motion is to be heard:

- in writing under subrule 37.12.1(1);
- in writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

at the following location

The motion is to be heard by videoconference, details of which are to be provided by the Court.

THE MOTION IS FOR:

- (a) if necessary, the abridgement of the time for service of the Notice of Motion and Motion Record herein and dispensing of service thereof;
- (a) an Order providing advice and directions regarding the validity of the construction liens registered against the Property by 10853828 Canada Inc. as instrument number SC1768866 (“**108 Lien**”) and lien registered against the Property by Delbrook Triumphant Builders Inc. as instrument number SC1768859 (“**Delbrook Lien**”);
- (b) an Order lifting the sealing of the Confidential Supplemental Report to the First Report of the Receiver dated September 8, 2022 (the “**Confidential Supplemental Report**”) as provided for by paragraph 3 of the Administration and Interim Distribution Order of Justice Cavanagh dated September 14, 2022 (the “**A&D Order**”); and
- (c) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. Pursuant to the terms of the Order of Justice Conway dated March 1, 2022 (the “**Receivership Order**”), BDO was appointed as Receiver over the Property pursuant to section 243 of the *Bankruptcy and Insolvency Act* (“**BIA**”) and section 101 of the *Courts of Justice Act* (“**CJA**”).
2. The Property forms a residential condominium development site in Bradford West

Gwillimbury, Ontario. The Property was owned by Triumph Development HK Bradford Twin Regency Inc. (“**Triumph**”).

3. Pursuant to the Approval and Vesting Order of Justice Cavanagh dated September 14, 2022 (the “**Sale Approval Order**”) the sale of the Property was approved. The sale transaction of the Property closed on September 29, 2022 (the “**Sale Transaction**”).
4. Prior to the Sale Transaction, the Property was subject to 108 Lien and the Delbrook Lien.
5. Pursuant to the A&D Order, the Receiver made the approved distributions to the first and second mortgagees following the completion of the Sale Transaction. The Receiver is holding the balance of the net sale proceeds in trust pending further Order of the Court.

The Validity of the 108 Lien and the Delbrook Lien

6. CTBC Bank Corp. (“**CTBC**”) is a secured creditor of Triumph. CTBC has raised concerns in respect of the 108 Lien and the Delbrook Lien. CTBC’s position is that the 108 Lien and the Delbrook Lien are invalid due to common ownership interests in Triumph, 10854828 Canada Inc. (“**108 Canada**”), and Delbrook Triumphant Builders Inc. (“**Delbrook**”).
7. At the last return date in the Receivership, the Receiver advised Justice Cavanagh that the Receiver would bring a motion for directions to deal with, *inter alia*, the issue of the validity of the 108 Lien and the Delbrook Lien (the “**Motion for Directions**”). Pursuant to the Endorsement of Justice Cavanagh dated September 14, 2022 (the “**Cavanagh Endorsement**”), a scheduling attendance was set for October 12, 2022 at 9:30, at which the Motion for Directions will be timetabled. Justice Cavanagh further directed the

Receiver to serve its motion record in respect of the Motion for Directions during the week of October 3, 2022.

8. The Receiver has conducted an investigation into the alleged common ownership interests in Triumph, 108 Canada and Delbrook. The details of this investigation and the Receiver's findings are set out in the Second Report of the Receiver dated October 7, 2022 (the "**Second Report**").
9. As set out in the Second Report, the Receiver finds it unusual that the Debtor, 108 Canada and Delbrook had common directors at certain points in time. However, based on the evidence that has been provided to the Receiver to date, the Receiver is unable to conclude that that Delbrook and 108 Canada has ever had any common ownership or controlling interest (legal or beneficial) in Triumph nor has Triumph had any common ownership or controlling interest (legal or beneficial) in 108 Canada or Delbrook.

Lifting of Sealing Order for the Confidential Supplement of the Frist Report

10. Pursuant to paragraph 3 of the A&D Order, the Confidential Supplemental Report was sealed pending closing of the Sale Transaction or further order of the Court. On this issue, paragraph 4 of the Cavanagh Endorsement stated:

[4] With respect to the request for a sealing order, I am satisfied that the Receiver has satisfied the requirements set out in *Sherman Estate v. Donovan*, 2021 SCC 25. The information sought to be sealed discloses confidentially sensitive information such as sale price and appraised values. If the transaction was not to close, the disclosure of the information would seriously impair the Receiver's ability to negotiate an agreement to sell the properties with a future third party. In

the circumstances, the sealing order sought is the least restrictive means to maintain the confidentiality of this commercially sensitive information. I am satisfied that the salutary effects of the sealing order outweigh the deleterious effects of restricting access to the Confidential Report, and that the requested sealing order, which is time limited (until closing or further court Order) is appropriate.

11. As the Sale Transaction has now closed, the Receiver wishes to unseal the Confidential Supplemental Report as the concern in respect of the commercially sensitive information no longer applies.
12. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.
13. Such further and other grounds as the lawyers may advise.

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

- (a) The Second Report; and
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 7, 2022

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**PRUDENT EXCELLENCE
MORTGAGE INVESTMENT
CORPORATION**

- and -

**TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY INC.**

Applicant

Respondent

Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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TAB 2

Court File No. CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

- and -

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

**SECOND REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT APPOINTED RECEIVER**

October 7, 2022

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INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. By Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (the “**Court**”) dated March 1, 2022 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as the Court-appointed receiver (in such capacity, the “**Receiver**”) over the real property owned by Triumph Development HK Bradford Twin Regency Inc. (“**Triumph**” or the “**Debtor**”) municipally known as 2362 Line 8, Bradford West Gwillimbury, ON (the “**Property**”). A copy of the Receivership Order is attached hereto as **Appendix “A”**. The within proceeding is referred to herein as the “**Receivership Proceeding**”.
2. The Receiver delivered its First Report dated September 8, 2022 (the “**First Report**”) in connection with its motion returnable September 14, 2022. A copy of the First Report (excluding appendices) is attached hereto as **Appendix “B”**. At that motion, the Receiver obtained an Approval and Vesting Order approving a sale transaction for the Property as described in the Receiver’s First Report. Additionally, the Receiver obtained an Administration and Interim Distribution Order: (i) approving the Receiver’s activities; (ii) sealing the Confidential Supplemental Record until completion of the sale transaction for the Property or further order of the Court; and (iii) approving a final distribution to Peter and Leni Vander Kooij (“collectively, “**Vander Kooij**”) and an interim distribution to Prudent Excellence Mortgage Investment Corporation (“**Prudent**”), the first and second mortgagees respectively. Copies of the Approval and Vesting Order and the Administration and Interim Distribution Order dated September 14, 2022 are attached hereto as **Appendix “C”**.
3. At the last return date in the Receivership Proceeding, the Receiver advised Justice Cavanagh that the Receiver would bring a motion for directions to deal with the issue of the validity of the liens registered against the Property by Delbrook Triumphant Builders Inc. (the “**Delbrook Lien**”) and 10853828 Canada Inc. (the “**108 Lien**”).
4. The sale transaction for the Property (the “**Sale Transaction**”) closed on September 29, 2022 and pursuant to the Administration and Interim Distribution Order, the Receiver has made a final distribution to Vander Kooij and an interim distribution to Prudent in the amounts of \$2,187,793.44 and \$711,878.41 respectively.

Purpose of this Report

5. The purpose of this Second Report of the Receiver dated October 7, 2022 (the “**Second Report**”) is to obtain Order(s):

- i. providing advice and directions in relation to the validity of the Delbrook and 108 Liens as a result of alleged ownership interests in the Debtor;
- ii. lifting the sealing of the Confidential Supplemental Report to the First Report (the "**Confidential Supplement**") as provided by Paragraph 3 of the Administration and Interim Distribution Order; and
- iii. such further and other relief as this Honourable Court may deem just.

DISCLAIMER

6. In preparing this Second Report, the Receiver may have been provided with, and has relied upon, unaudited, draft and/or internal financial information, the Debtors' books and records, discussions with management of the Debtors ("**Management**"), and information from third-party sources (collectively, the "**Information**"). Except as described in this Second Report:
 - a) the Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
 - b) the Receiver has prepared this Second Report in its capacity as a Court-appointed officer in connection with its motion for advice and directions with respect to certain construction liens. Parties using the Second Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes.
7. Unless otherwise stated, all monetary amounts contained in this Second Report are expressed in Canadian dollars.
8. This Second Report, and other all court materials and orders issued and filed in this Receivership Proceeding are or will be made available on the Receiver's case website at the following URL: https://www.bdo.ca/en-ca/extranets/triumph_twin_regency/ and will remain available on the website for a period of six (6) months following the Receiver's discharge.

BACKGROUND

9. The Debtor is a corporation governed by the *Canadian Business Corporations Act* with a registered head office located at A10-3000 Highway 7, Markham, ON. The Debtor was incorporated on June 8, 2017. The Receiver understands that the Debtor's corporate head office was moved to Room 28, Suite 310, 350 Highway 7, Richmond Hill, Ontario and that the lease to that premises was terminated by the landlord a year prior to the Receivership Proceeding.

10. It appears the Debtor was incorporated for the sole purpose of purchasing and developing the Property. The Receiver has been provided with a corporate organization chart from Paul Hancock counsel for 108 Canada and Delbrook, attached as **Appendix “D”**, which indicates that the Debtor is owned by Bradford Holding Limited Partnership which is ultimately owned through corporations wholly owned by Lu (Wilson) Shen (“**Shen**”), his spouse, Yuerong Wang (“**Wang**”) and Jun Chen (“**Chen**”). The Receiver has also been provided with a Shareholder Register from Paul Hancock, counsel for 108 Canada and Delbrook, attached as **Appendix “E”**, of the Debtor which shows that Wang was the sole shareholder from incorporation to September 1, 2018 when Bradford Holding Limited Partnership became an equal shareholder. Curiously, the Receiver received a copy of the Debtor’s corporate income tax return, enclosed as **Appendix “F”**, for the fiscal period ending December 31, 2019, which on Schedule 50, reports Wang as the sole shareholder of the Debtor. In view of the conflicting ownership information, the Receiver is not sure who in fact are the shareholders of Triumph. The listed Directors of Triumph as at February 14, 2022 are Chen and Shen, although Wang also served as a Director of the Debtor from incorporation to March 29, 2021.
11. The Debtor’s principal asset was the Property which was an undeveloped parcel of land consisting of approximately 9.45 acres of land fronting onto Line 8 Bradford with a municipal address of 2362 Line 8 Bradford West Gwillimbury, ON.
12. Despite repeated attempts, the Receiver has not been able to contact the Debtor’s Officers or Directors to obtain any information with respect to the Debtor or the Property. The Receiver has obtained all of its information in regard to the Debtor and the Property from the first and second mortgagees and from the Project and Construction Managers contracted by the Debtor to manage and complete the proposed development. The Project and Construction Managers are related entities, 10853828 Canada Inc. (“**108 Canada**”) and Delbrook Triumphant Builders Inc. (“**Delbrook**”), respectively.
13. The Property has been sold by the Receiver and pursuant to the Approval and Vesting Order, the net proceeds of sale stand in the place and stead of the Property in respect of the competing claims registered against the Property.

Creditor Claims

14. Prior to the Sale Transaction, the Property was subject to the following encumbrances:

Chargor	Encumbrance	Amount	Instrument	Registration Date
Vander Kooij, Peter and Leni	Mortgage	\$2,795,000	SC1421256	June 19, 2017

Prudent Excellence Mortgage Investment Corporation	Mortgage	\$800,000	SC1760648	March 5, 2021
Delbrook Triumphant Buildings Inc.	Construction Lien	\$1,404,036	SC1768859	April 6, 2021
10853828 Canada Inc.	Construction Lien	\$1,870,538	SC1768866	April 6, 2021
Gerrits Engineering Limited	Construction Lien	\$16,385	SC1776388	April 30, 2021
Fu, Xiaofeng and Sun, Meng	Mortgage	\$10,000,000	SC1802980	July 12, 2021

15. As stated, the Receiver has retired the Vander Kooij first mortgage and made an interim distribution to Prudent in respect of the second mortgage from the net sale proceeds from the Property.
16. The Delbrook and 108 Liens allegedly relate to supplied labour and consulting services for project and construction management and other “soft-costs” for improvement/work completed by other sub-contractors towards an application for site plan approval that remain unpaid by the Debtor.
17. The lien of Gerrits Engineering Limited also allegedly relates to unpaid “soft-costs” incurred for engineering work for conceptual design and is included in the Delbrook Lien and/or the 108 Lien.
18. The charge in favour of Fu, Xiaofeng and Sun, Meng appears to “back-stop” personal loans provided to Shen and Wang. Further investigation into the details of the third mortgage remain ongoing by the Receiver.
19. CTBC Bank Corp. (“**CTBC**”) is a secured creditor with a registration against the Debtor under the *Personal Property Security Act* (Ontario) (the “**PPSA**”) in the amount of \$5,000,000 with a registration against Triumph’s Accounts described as term deposits and credit balances held with CTBC in respect of Letter of Credit security against Shen and Wang.
20. CTBC has advised the Receiver that its position is that the 108 and Delbrook Liens are invalid due to common ownership interests in Triumph, 108 Canada and Delbrook.

Lien Claims and Statements of Defence

21. All three lien claimants have issued Statements of Claim against Triumph and Prudent (the “**Lien Claims**”). The Lien Claims and Statements of Claim are attached hereto as **Appendix “G”**. Prudent and Triumph have delivered Statements of Defence to 108 Canada and Delbrook. The Statements of Defence are attached hereto as **Appendix “H”**.
22. Prudent’s Statement of Defence to 108 Canada and Delbrook deny that the 108 or Delbrook Liens have priority over the Prudent mortgage and state that:

- i. They did not have notice of the lien prior to any advance made to Triumph (Paragraph 10); and
 - ii. The controlling interest of 108 Canada and Delbrook, Mohammed Mehdi Haj-Shafiei (“**Mehdi**”), was also a Director or Officer of Triumph when Prudent’s mortgage was committed and thus had ample opportunity to provide notice to Prudent regarding any alleged payments leading to the lien claims (Paragraph 12).
23. Triumph’s Statements of Defence to 108 Canada and Delbrook allege, among various other things, defences and counter claims, the following:

108 Lien:

- i. Montanaro Project Management Professional Inc. (“**Montanaro**”) was incorporated to be the project management company to manage development of the Property. Montanaro is owned by Mehdi, his father, Ali Haj-Shafiei (“**Ali**”), a real estate agent, Da Zhang (“**Zhang**”) and Wang. Mehdi, Zhang and Wang were the Directors of Montanaro. Montanaro entered into a Project Management Agreement with Triumph on June 8, 2017 (the “**Montanaro Project Management Agreement**”).
- ii. Pursuant to the Montanaro Project Management Agreement, Montanaro would receive a fixed monthly fee of \$3,000 (the “**Monthly Fixed Fee Amount**”) for the duration of the project and that upon achieving substantial completion of the construction, the ownership group would be entitled, in proportion to their shareholdings, to split an amount equal to 8% of the servicing and construction hard costs incurred (the “**Contingent Fee**”). In the event of early termination, Montanaro would only be entitled to payment of the Monthly Fixed Fee Amount to the date of termination, with any right to further compensation (described in the agreement as an undefined “**Participation Amount**”) to be determined by either mutual agreement or arbitration.
- iii. In or about 2019, however, Zhang exited the project following an insolvency. Montanaro ceased to be operative and the Montanaro Project Management Agreement was terminated.
- iv. 108 Canada was not assigned or otherwise obtained rights under the Montanaro Project Management Agreement. Therefore 108 Canada does not have privity of contract with Triumph and thus has no right to demand payment under the Montanaro Project Management Agreement.
- v. Even if 108 Canada was assigned or otherwise had rights under the Montanaro Project Management Agreement, which is not admitted but denied, Triumph denies that 108 Canada sustained any losses or damages or is owed any monies as alleged in the Statement of Claim, including without limitation because:
 - a. The project is still in the development phase.
 - b. No amount for Servicing and Building Hard Costs (as such term is used in the Montanaro Project Management Agreement) have been incurred.
 - c. The Contingent Fee is not payable.
 - d. An amount equal to the Fixed Monthly Fee Amounts that had been payable under the Montanaro Project Management Agreement were paid to Mehdi until the time 108 Canada repudiated the agreement and abandoned the project.

- e. 108 Canada repudiated the Montanaro Project Management Agreement and is not entitled to further payment thereunder; and
- f. 108 Canada breached its duty of good faith owed to Triumph.

Delbrook Lien:

- vi. The purpose of Triumph entering into the CCDC 5B contract with Delbrook (for construction management) was for the sole purpose of facilitating registration with Tarion Warranty Corporation (“**Tarion**”) as a builder.
 - vii. The Property was in the development phase and no construction has started and therefore no construction management services were provided by Delbrook.
 - viii. Delbrook has also not provided any preconstruction management services to the development and that the work Delbrook claims payment for is duplicative of the development management work claimed and relied on by 108 Canada in its lien action against Triumph.
 - ix. Triumph further states that the work upon which Delbrook bases its claim for lien is not lienable, including that it relates to preconstruction management work on a project that has not progressed to construction and further represents a claim for damages at large.
24. The Receiver has focused its investigation into the alleged common ownership interests in Triumph, 108 Canada and Delbrook and is seeking the Court’s advice and directions in this regard. The details of this investigation and the Receiver’s preliminary findings are set out below.

INVESTIGATION CONDUCTED BY THE RECEIVER’S COUNSEL

25. The issue of whether the 108 and Delbrook Liens are valid and enforceable due to alleged common ownership interests in Triumph was first brought to the Receiver’s counsel’s attention by Chad Kopach, counsel for CTBC. Receiver’s counsel scheduled a telephone call with Mr. Kopach of Blaney McMurtry LLP on June 8, 2022 to further discuss this issue, where Mr. Kopach brought to the Receiver’s attention Mehdi’s possible ownership interest in Triumph. Eric Golden, also counsel for CTBC, emailed Gary Cerrato from the Receiver’s office on June 13, 2022 stating CTBC’s position on the 108 and Delbrook Liens as set out below:

“Construction liens: our preliminary view is that the liens are not valid (the two larger ones representing about 98% of the liens). As per below, our position is that CTBC’s security over Triumph HK covers any and all proceeds after the first two mortgages (and that the third mortgage is null and void)”

A copy of the email dated June 13, 2022 is attached as **Appendix “I”**.

26. On June 21, 2022, Mr. Kopach emailed Josie Parisi from the Receiver’s office providing further information on the issue:

“Generally speaking, the Construction Act does not allow an owner of a property to maintain a lien over their own property. This prohibition has been expanded from situations of direct ownership, to indirect ownership (i.e. a common owner of Corp A that owns the land, and Corp B that has the registered lien), which I gather may be the situation for the two liens registered by Delbrook (\$1.4M) and 108 Canada (\$1.8M). Both of these liens were “signed” by the same person – “Mohammed Mehdi Haj-Shafiei” in one instance, and Mehdi Shafiei in the other – and in the defences filed by Prudent, it alleges that this individual had a controlling interest in the owner of the subject lands.”

A copy of the email dated June 21, 2022 is attached hereto as **Appendix “J”**.

27. Following initial discussions with CTBC’s counsel, the Receiver’s counsel commenced its own investigation. The investigation involved multiple meetings through June to August 2022 with CBTC’s counsel to understand the nature of the aforementioned allegations, determine and analyze the source of the information as stated by Mr. Kopach and reviewing any evidence relating to same, and to discuss the relevant case law on the matter. On August 3, 2022 Mr. Kopach emailed the Receiver and the Receiver’s counsel with:

- i. The Director history for Triumph, which showed that Mehdi was a Director from April 14, 2020 to March 29, 2021;
- ii. The Director history for both 108 Canada and Delbrook showing Mehdi is a Director for both, and that Shen, a Director for Triumph, was also a Director at Delbrook’s inception from February 24, 2020 to November 11, 2020; and
- iii. That 108 Canada was not incorporated until June 2018 even though the 108 Lien claims for services and materials dating back to June 8, 2017.

28. The Receiver’s counsel also sought to investigate the matter by:

- i. Inquiring on multiple occasions with Prudent’s counsel, Maya Poliak of Chaitons LLP and Xin Sun, of XS Law Professional Corporation, to obtain any relevant evidence relating to their statement in Paragraph 12 of the Statements of Defence (i.e., that Mehdi was a Director or Officer of Triumph and also the controlling interest of both 108 Canada and Delbrook). Ms. Poliak informed the Receiver’s counsel that she did not have any information regarding Mehdi’s role as a Director and/or Officer of Triumph. Mr. Sun only provided one document to the Receiver’s counsel on August 2, 2022, which was an undated corporate profile search for Triumph, attached as **Appendix “K”**, that listed Mehdi as one of three directors, along with Shen and Wang; and
- ii. Making a formal inquiry to 108 Canada and Delbrook’s counsel, Paul Hancock of Daoust Vukovich LLP, on August 5, 2022. This letter is attached as **Appendix “L”**, and Mr. Hancock’s response is further discussed below.

29. The Receiver's counsel received a letter from CTBC's counsel on September 22, 2022, attached as **Appendix "M"**, outlining particulars of various documents that will be required on a Motion for Directions regarding the issue of the validity and enforceability of the 108 and Delbrook Liens. The Receiver's counsel sent a follow-up inquiry to Mr. Hancock on September 26, 2022, requesting this information. A copy of the follow up inquiry to Mr. Hancock is included hereto as **Appendix "N"**.
30. The Receiver has obtained updated corporate profile searches for 108 and Delbrook. Mehdi is the sole director for 108. Delbrook has three directors listed, Mehdi, Ali, and Sandro Soscia ("**Soscia**").

DOCUMENTS PROVIDED BY COUNSEL FOR 108 CANADA AND DELBROOK

31. Following inquiries made by the Receiver's counsel, Mr. Hancock provided a letter dated August 19, 2022 (the "**Letter**"), attached as **Appendix "O"**, and various documents to support his clients' position that neither Mehdi nor any of the other Directors or Officers of 108 Canada or Delbrook had an ownership interest in Triumph at any juncture. The Letter states, and in some instances provides documentary evidence of, the following:

- i. Mehdi is the sole Officer and Director of 108 Canada and no person related to Triumph has ever been an Officer or Director of 108 Canada.
- ii. Delbrook was incorporated to act as Construction Manager for the project. The shareholders of Delbrook are Soscia, Mehdi and Ali, no other person has ever owned shares in Delbrook. As Delbrook was assisting Triumph with Tarion registration, Triumph was required to be part of Delbrook's umbrella group and shared at least one common Officer or Director per the Home Construction Regulatory Authority's ("**HRCA**") guidelines. Documentation to this effect has been provided. As such, Mehdi was listed as a Director of Triumph from April 14, 2020 to March 29, 2021 but had no financial interest in Triumph. The Letter states that Mehdi was removed as Director by Triumph and was not involved in his removal, Mr. Hancock suspects it was due to Triumph's refusal to pay 108 Canada or Delbrook. There is no documentary evidence to support this, however.
- iii. Triumph's Shen and Gary Chan ("**Chan**") were also listed as Directors of Delbrook from February 24, 2020 to November 11, 2020; however, the Letter states that this was done erroneously as 108 Canada and Delbrook were under the impression that Tarion required this. Both Shen and Chan tendered resignations which have been provided.

Other documents attached to the Letter include:

- iv. A Construction Management Agreement between Triumph and Delbrook dated March 3, 2020 and executed by Mehdi and Shen.
- v. A Vendor Agreement between Triumph and Tarion executed by Shen on behalf of Triumph.
- vi. An organizational chart showing that Triumph's sole shareholder was Bradford Holding Limited Partnership, whose shareholders were various companies owned by Shen, Wang, and Chen.

- vii. An undated Shareholder Registry showing that Wang owned 100 Class A shares of Triumph.
 - viii. A Shareholder Registry showing that Wang owned 100 Class A shares of Triumph from June 8, 2017 to September 1, 2018 and that Bradford Holding Limited Partnership owned 100 Class A Shares from September 1, 2018 onwards.
 - ix. A Project Cooperation Contract between Wiseway Global Canada Consulting Ltd. ("**Wiseway**") and Triumph Development Bradford Limited, Shen, and Wang dated February 2020 (no specific date provided).
 - x. A certificate of funds for Wiseway dated January 7, 2021.
 - xi. A Project Cooperation Contract between Canada Sunlike Limited, Triumph Development Bradford Limited, Shen, and Wang dated February 2020 (no specific date provided); and
 - xii. A Limited Partnership Agreement dated September 14, 2018 between:
 - a) Canada Landmark Industrial Ltd. (GP)
 - b) 10989273 Canada Ltd.
 - c) Canada Sunlike Ltd.
 - d) Triumph
32. In response to the Receiver's counsel follow-up inquiry to Mr. Hancock on September 26, 2022, requesting additional information as requested by counsel for CTBC, Mr. Hancock provided another letter dated October 3, 2022, attached as **Appendix "P"**, providing much of the same information as included in the Letter with the inclusion of two additional documents as follows:
- xiii. A Triumph resolution which appears to be signed by Shen and Wang appointing CTBC as the company bank and authorizing signatories; and
 - xiv. Triumph incorporation documents.
33. The Receiver's counsel again followed up with some additional questions to Mr. Hancock via email on September 26, 2022 to obtain information in regards to (i) the alleged assignment of the Montanaro Project Management Agreement; (ii) confirmation of whether Wang was a shareholder of Montanaro through a unanimous shareholders agreement ("**USA**") as alleged by Triumph in its lien defence; and (iii) confirmation of whether any individual related to the Debtor retained any ownership interest (both legal or beneficial) in 108 Canada.
34. Mr. Hancock responded to the Receiver's September 26, 2022 email with a copy of the Shareholder Register for 108 Canada and with the following responses:

"The assignment was not reduced to writing. The evidence of the assignment is set out at paragraphs 5 to 8 of Mehdi Shafiei's September 8, 2022, affidavit, as well as the correspondence/invoices between Triumph and 108 Co."

“My client, Mehdi Shafiei, does not recall ever signing a USA regarding Montanaro. Wang was a director of Montanaro, but did not have any shares or interest in Montanaro. My client does not believe he has the minute book et cetera for Montanaro (he has been unable to locate same in his records).”

“No individual related to the debtor company had any ownership (legal or beneficial) in 108 co. Mehdi Shafiei is and always has been the sole shareholder of 108. Please find attached the shareholder register for 108.”

A copy of the October 3, 2022 email response from Mr. Hancock together with the Shareholder Register for 108 Canada are included hereto as **Appendix “Q”**.

PRELIMINARY CONCLUSION OF THE RECEIVER

35. The Receiver finds it unusual that the Debtor, 108 Canada and Delbrook had common directors at certain points in time. However, based on the evidence that has been provided to the Receiver to date, the Receiver is unable to conclude that Mehdi has ever had any ownership or controlling interest (legal or beneficial) in Triumph nor has Wang, Shen, Chen or Chan had any ownership or controlling interest (legal or beneficial) in Montanaro, 108 Canada or Delbrook.

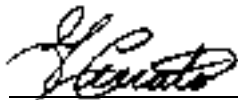
LIFTING OF SEALING ORDER

36. Pursuant to Paragraph 3 of the Administration and Interim Distribution Order, the Confidential Supplement was sealed pending closing of the Sale Transaction or further order of the Court.

37. As the Sale Transaction has now closed, the Receiver is seeking an Order to unseal the Confidential Supplement as the concern in respect of the commercially sensitive information contained therein no longer applies.

All of which is respectfully submitted this 7th day of October 2022.

BDO CANADA LIMITED,
in its capacity as the Court-appointed Receiver of
Triumph Development HK Bradford Twin Regency Inc.
Per:



Name: Gary Cerrato, CIRP, LIT
Title: Senior Vice-President

APPENDIX A

Court File No. CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MADAM	)	TUESDAY, THE 1 ST
)	
JUSTICE CONWAY	)	DAY OF MARCH, 2022

B E T W E E N:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

- and -

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing BDO Canada Limited as receiver (the "**Receiver**") of the property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario and legally described as set out in **Schedule "A"** hereto (the "**Property**") owned by Triumph Development HK Bradford Twin Regency Inc. (the "**Debtor**"), was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the affidavit of Fujia (Frank) Wang sworn February 22, 2022 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant and such other parties listed on the Participant Information Sheet, no one else appearing for the parties listed on the service list although served as appears from the affidavits of service filed with the Court, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver of the Property.

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, engaging of independent security personnel, the

taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies;
- (e) to settle, extend or compromise any indebtedness owing to the Debtor with respect to the Property;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (h) to market the Property, including advertising and soliciting offers in respect of the Property and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (i) to sell, convey, transfer, lease or assign the Property with the approval of this Court, and notice under section 31 of the Ontario *Mortgages Act* shall not be required;
- (j) to apply for any vesting order or other orders necessary to convey the Property to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Property;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to the Property;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof with respect to the Property for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor; and
- (n) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall grant immediate and continued access to the Property to the Receiver.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment with respect to the Property, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor with respect to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor with respect to the Property or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor with respect to the Property are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, provided in each case that

the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal

information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of the Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental

Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$75,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL <https://www.bdo.ca/en-ca/extranets/triumph/>.

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

26. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Applicant from the Debtor's estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be, when the Court returns to regular operations.



SCHEDULE "A"

Municipal Address: 2362 Line 8, Bradford West Gwillimbury, Ontario

PIN: 58041-0138 (LT)

Property Description: Part Lot 16 Concession 8 West Gwillimbury as in RO261979
Save & Except Parts 1 & 3 51R37039; Town of Bradford West
Gwillimbury

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO CANADA LIMITED, the receiver (the "**Receiver**") of property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario (the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 1st day of March, 2022 (the "**Order**") made in an application having Court file number CV-22-00677227-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the ____ day of _____, 20__.

BDO CANADA LIMITED, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Applicant

Respondent

Court File No. CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(appointing Receiver)**

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Maya Poliak (LSO #54100A)
Tel: (416) 218-1161
E-mail: maya@chaitons.com

Lawyers for the Applicant

APPENDIX B

Court File No. CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

- and -

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

**FIRST REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY
AS COURT APPOINTED RECEIVER**

September 8, 2022

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INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. By Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (the “**Court**”) dated March 1, 2022 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”) was appointed as the Court-appointed receiver (in such capacity, the “**Receiver**”) over the real property owned by Triumph Development HK Bradford Twin Regency Inc. (“**Triumph**” or the “**Debtor**”) municipally known as 2362 Line 8, Bradford West Gwillimbury, ON (the “**Property**”). A copy of the Receivership Order is attached hereto as **Appendix “A”**. The within proceeding is referred to herein as the “**Receivership Proceeding**”.

Purpose of this Report

2. The purpose of the Receiver’s Report to Court dated September 8, 2022 (the “**First Report**”) is to provide information to the Court with respect to:
 - a) background information in respect of the Debtor and the Property;
 - b) the Receiver’s activities since its appointment, for which the Receiver seeks approval;
 - c) the sale process (“**Sale Process**”) conducted by the Receiver with respect to the Property;
 - d) the agreement of purchase sale dated July 27, 2022 (the “**279 APS**”) entered into by 2792523 Ontario Inc. (“**279**” or the “**Purchaser**”) and the Receiver with respect to the Property, subject to the approval of this Court;
 - e) the Receiver’s motion for an Order(s) of this Court:
 - i. approving and authorizing the 279 APS, and approving the transaction set out therein (the “**Transaction**”);
 - ii. vesting the Debtor’s right, title and interest, if any, in and to the Property free and clear of all encumbrances, except any permitted encumbrances, subject to the terms of the 279 APS;
 - iii. sealing the Receiver’s Confidential Supplement to the First Report to Court dated September 8, 2022 (the “**Confidential Supplement**”) including the 279 APS, real estate appraisals and other commercially sensitive information, which will be filed with the Court in support of this motion;
 - iv. approving a distribution of the proceeds of sale from the Property to Peter and Leni Vander Kooij (“collectively, “**Vander Kooij**”) and Prudent Excellence Mortgage

Investment Corporation (“**Prudent**”), the first and second mortgagees respectively, and set out herein;

- v. approving the activities of the Receiver, as described in this First Report; and
 - vi. approving the fees and disbursements of the Receiver and its legal counsel, Robins Appleby LLP (“**Robins Appleby**”) as set out in this First Report, and to authorize the Receiver to pay all approved and unpaid fees and disbursements.
3. This First Report, and other all court materials and orders issued and filed in these receivership proceedings are or will be made available on the Receiver’s case website at: https://www.bdo.ca/en-ca/extranets/triumph_twin_regency/ and will remain available on the website for a period of six (6) months following the Receiver’s discharge.

DISCLAIMER

4. This First Report is prepared solely for the use of the Court for the purpose of assisting it in making a determination whether to: (i) approve and authorize the 279 APS and the Transaction, (ii) vest the Debtor’s right, title and interest, if any, in and to the Property free and clear of all encumbrances, except permitted encumbrances, to the Purchaser (iii) approve a distribution of funds from the proceeds of sale from the Transaction to the first and second mortgagees, (iii) approve the actions and conduct of the Receiver and the accounts of the Receiver and its legal counsel as set out in this First Report, and (iv) approve other ancillary relief being sought.
5. Except as otherwise described in this First Report:
 - a. the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - b. the Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
6. Unless otherwise stated, all monetary amounts contained in this First Report are expressed in Canadian dollars.

BACKGROUND

7. The Debtor is a corporation governed by the *Canadian Business Corporations Act* with a registered head office located in Markham, ON. The Debtor was incorporated on June 8, 2017. The Receiver

understands that the Debtor was incorporated for the sole purpose of purchasing and developing the Property.

8. Despite repeated attempts the Receiver has not been able to contact the Debtor's Officers or Directors, Lu Shen, and Jun Chen, to obtain any information with respect to the Property. The Receiver has obtained most of its information about the Property from the first and second mortgagees and from the Project and Construction Managers contracted by the Debtor to manage and complete the proposed development. The Project and Construction Managers are related entities, 10853828 Canada Inc. ("**108 Canada**") and Delbrook Triumphant Builders Inc. ("**Delbrook**"), respectively. 108 Canada and Delbrook have registered construction liens against the Property in respect to which they collectively supplied labour and services with regard to project and construction management and other "soft-costs" and improvements/work completed by sub-contractors to obtain Site Plan Approval ("**SPA**") as discussed below. 108 Canada and Delbrook will be collectively referred to hereinafter for the purposes of the consulting services performed in respect of obtaining SPA for the Debtor as "**Delbrook**".
9. The Debtor's principal asset is an undeveloped parcel of land consisting of approximately 9.45 acres of land fronting onto Line 8 Bradford with a municipal address of 2362 Line 8 Bradford West Gwillimbury, ON. The Property is currently zoned Residential Three Exception Number 3 Holding Five Zone (R3*3(H5)) which is designated "High-Density Residential" with a portion of an Environmental Protection Zone ("**EPZ**") running through the center of the property. The Property is irregular in shape and surrounded by adjoining residential properties. As stated, there is a creek/ravine dividing the property which is designated as EPZ. The southerly portion of the Property has services and is accessible from Line 8 Bradford and can be currently developed. The north side of the Property is not accessible by roadway or services so development on this portion of the Property is to be provided for at a future time when the adjacent lands surrounding the Property are developed.
10. The Property which is currently vacant and unimproved, received Site-Specific Official Plan and Zoning By-law Amendment in 2013 to permit "high-density" residential development to a maximum of 218 dwelling units (the "**Existing Zoning and SPA**"). The Receiver understands that the Property was originally contemplated for the development of two buildings with the EPZ traversing the lands in an east-west direction. The southerly portion of the land comprises a developable area of approximately 2.3 acres or approximately 9,308 square meters, which was contemplated for the development of a 6-storey, 110 dwelling unit building containing a Gross Floor Area of 117,854. The northerly portion of the land, which is currently "land-locked" represents 2.22 developable acres of land that was contemplated for the future development of a 5-storey, 108 dwelling unit building with a Gross Floor Area of 105,303 square feet.

11. The southerly portion of the Property has more recently been contemplated for density intensification to permit the development of a 7-storey, 239 dwelling unit building containing a Gross Floor Area of 223,942 square feet. This falls outside of the as-of-right permissions and has been supported with a new submission for SPA. The SPA process involves review of the proposed detail design of a site by multiple parties (e.g. The Town of Bradford West Gwillimbury (“**Bradford**”), community services, conservation authority, etc.). Many of the architectural drawings and studies to obtain SPA for a larger building with higher density have been completed and were provided to Bradford in a first SPA submission by Delbrook for consideration and approval. The Property remains today pending the final SPA which requires a second and possibly more submissions to Bradford. Final SPA for the 7-storey, 239 dwelling unit building has not been granted.
12. Set out below is a summary of the encumbrances that are registered against the Property:

Chargor	Encumbrance	Amount	Instrument	Registration Date
Vander Kooij, Peter and Leni	Mortgage	\$2,795,000	SC1421256	June 19, 2017
Prudent Excellence Mortgage Investment Corporation	Mortgage	\$800,000	SC1760648	March 5, 2021
Delbrook Triumphant Buildings Inc.	Construction Lien	\$1,404,036	SC1768859	April 6, 2021
10853828 Canada Inc.	Construction Lien	\$1,870,538	SC1768866	April 6, 2021
Gerrits Engineering Limited	Construction Lien	\$16,385	SC1776388	April 30, 2021
Fu, Xiaofeng and Sun, Meng	Mortgage	\$10,000,000	SC1802980	July 12, 2021

13. The charge in favour of Vander Kooij relates to a first ranking vendor-take-back mortgage given by the Debtor when the Property was purchased from the Vander Kooij's in June 2017 and pre-dates any construction lien registrations.
14. The charge in favour of Prudent relates to a second mortgage supporting a loan provided to the Debtor for marketing the development and may be considered construction financing for the purpose of determining priority over registered construction liens. The registration of this mortgage pre-dates any construction lien registrations.
15. The liens of Delbrook and 108 Canada relate to supplied labour and consulting services for project and construction management and other “soft-costs” for improvement/work completed by other sub-contractors towards the new active application for SPA that remain unpaid by the Debtor.

16. The lien of Gerrits Engineering Limited also relates to unpaid “soft-costs” incurred for engineering work for conceptual design and is included in the liens of Delbrook and 108 Canada. The Delbrook, 108 Canada and Gerrits Engineering Limited construction liens will be referred to hereinafter collectively as the “**Construction Liens**” and the parties collectively as the “**Lien Claimants**”.
17. The charge in favour of Fu, Xiaofeng and Sun, Meng appears to “back-stop” personal loans provided to certain owners of the Debtor. Further investigation into the details of the third mortgage remain ongoing by the Receiver.

PROPERTY APPRAISALS

18. The Receiver was provided with two real estate appraisals for the Property from the first and second mortgagees. The real estate appraisals were prepared by James F. H. Barnes dated February 10, 2022 (the “**Barnes Appraisal**”) and another from Colliers International Realty Advisors Inc. dated March 9, 2022 (the “**Colliers Appraisal**”). The real estate appraisals ascribed significantly different appraised values for the Property based on its development potential. The Barnes Appraisal valued the Property with its Existing Zoning and SPA which contemplates the development of two separate buildings on the southerly and northerly portion of the Property consisting of 110 and 108 dwelling units respectively as described in Paragraph 10 herein. The Colliers Appraisal valued the development potential of the north portion of the property similar to the Barnes Appraisal, however, the value ascribed to the development potential on the southerly portion of the Property is based on the new SPA submission for a 7-storey, 239 dwelling unit building. The appraised values for the Property therefore differ by as much as \$3.5 million based on the development potential of the Property. The appraised values for the Property are disclosed in Paragraph 18 of the Confidential Supplement and copies of the Barnes and Colliers Appraisals are attached as Appendix “A” to the Confidential Supplement.

ACTIVITIES OF THE RECEIVER

19. The Receiver’s more salient activities since its appointment include:
- a. attending at the Property and arranging for liability insurance;
 - b. communicating with Bradford with respect to outstanding property taxes levied against the Property;
 - c. holding meetings with Delbrook to obtain information on the active SPA application and to determine which information to include in the virtual data room created by Avison Young (“**AY**”) to support the Sale Process (as outlined below);

- d. reviewing invoicing, contracts and Statements of Claim in support of the Construction Liens;
- e. discussions and communication with Delbrook, 108 Canada and its counsel with regard to the registered construction liens;
- f. reviewing the Receiver's draft Agreement of Purchase and Sale and Confidentiality Agreement to provide to prospective purchasers and to include in AY's virtual data room;
- g. various communications and discussions with AY to thoroughly review and determine what information to include in the virtual data room in support of the Sale Process (as outlined below);
- h. implemented the Sale Process (as outlined below);
- i. communication with AY throughout the Sale Process (as outlined below);
- j. ongoing communications and correspondence with the mortgagees and other stakeholders with regard to the receivership proceeding, claims and progress of the Sale Process;
- k. reviewing offers received with counsel and the first and second mortgagees;
- l. negotiating offers for the Property; and
- m. preparing the First Report and Confidential Supplement.

SALE PROCESS

Review and Summary of the Sale Process

20. Among the powers set out in the Receivership Order, the Receiver is empowered and authorized in Paragraph 3(h) to market the Property, including advertising and soliciting offers in respect of the Property and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
21. The Receiver obtained three listing proposals to list the Property for sale from the following real estate brokers:
- i. AY;
 - ii. Colliers; and
 - iii. Re/Max Elite Brokerage.

22. Each of the above listing proposals contained a suggested list price based on a comparable analysis, sale commission structure, proposed marketing efforts and relevant experience. The proposals all contemplated approval of the new SPA submission for a 7-Storey, 239 unit building on the south portion of the Property. A table summarizing the salient details of the listing proposals is attached in the Confidential Supplement as Exhibit "B". AY recommended listing the Property for sale unpriced with a "holdover" date for the receipt of offers.
23. The Receiver selected AY's listing proposal and engaged AY to list the Property for sale unpriced with an offer date of May 18, 2022. The AY team had extensive experience and knowledge with development properties and an established list of developers as clients. Additionally, the AY proposal contained the most robust marketing campaign and the most favorable commission structure if the agent represented both the buyer and the seller. The first and second mortgagees were contacted by the Receiver and supported the Receiver's recommendation to engage AY as the listing agent. The Receiver executed the listing agreement with AY on April 14, 2022.
24. AY had completed its listing landing page, marketing brochure and other marketing materials and listed the Property for sale on MLS on April 18, 2022. The date for the receipt of offers was later extended to June 1, 2022 to give interested parties more time to review the volume of information relating to the new SPA application in AY's virtual data room.
25. By June 1, 2022, AY had received 43 inquiries about the Property and 13 parties had signed Confidentiality Agreements ("**CA's**") and were active in AY's virtual data room.
26. AY presented the Receiver with one offer from a developer, GF2 Real Estate Inc. ("**GF2**"), for consideration on June 1, 2022 (the "**GF2 Offer**"). The GF2 Offer contained a purchase price that was commercially reasonable for the proposed development of a 7-storey, 239 dwelling unit building based on information available to the Receiver. The GF2 Offer included the following terms and conditions:
- i. A purchase price as disclosed in Paragraph 26 (i) of the Confidential Supplement;
 - ii. initial deposit of 2.5% of the purchase price to be paid within 2 days of acceptance of the offer with a second deposit of 2.5% of the purchase price to be paid 2 day after the buyer waived its conditions;
 - iii. closing following 45 after court approval of the sale transaction;
 - iv. due diligence period of 60 days after acceptance of the offer with the option to extend the due diligence period (as set out in (v) below); and
 - v. conditional on the purchaser, on or before the due diligence date, satisfying itself in its sole and absolute discretion with the title, zoning, economic feasibility, physical

condition of the Property and the building and its inspections, reviews and all investigations of the Property as it deems necessary. In the event the purchaser is required to undertake, in its sole and absolute discretion, additional reports for site plan re-submission, and if the Purchaser has not received the final reports from its consultant(s) on or before the due diligence date, then the Purchaser shall have the right to extend the due diligence date by up to (30) days in the aggregate by giving written notice of such extension to the Receiver no later than 5:00 p.m. on the original due diligence date.

27. The Receiver signed back the GF2 Offer after reducing the closing date to 30 days following court approval of the sale transaction, reducing the due diligence periods down to 45 days with a possible further 45-day extension with increases to the first and second deposits of 3% and 5% of the purchase price, respectively. GF2 agreed to the Receiver's proposed amendments on June 13, 2022. A copy of the final GF2 Offer is included in the Confidential Supplement as Appendix "C".
28. The GF2 Offer was not explicitly contingent on a set number of dwelling units for the development being approved by Bradford. However, GF2 advised that it was going to be completing additional diligence to satisfy itself with regard to any environmental risks, zoning and the overall economic feasibility of the proposed development. The Receiver was advised by AY that GF2 would be contacting Bradford's Planning Department for acknowledgement that an increase in the number of dwelling units from 110 to 239 on the southerly portion of the property could be achieved along with obtaining an understanding of the process and the timelines involved to obtain final SPA.
29. In anticipation of GF2 contacting Bradford to inquire about final SPA for increased density for the proposed development, the Receiver scheduled a meeting with Bradford's Planning Department together with representatives from Delbrook and AY to discuss further steps necessary to obtain final SPA and whether that would require a minor variance to the current Zoning By-law as previously communicated to Delbrook or require an amendment to Bradford's Official Plan. A minor variance to the Zoning By-law would not be complicated and could be achieved in a relatively short period of time, however, an amendment to Bradford's Official Plan would reopen the process again to Town Council and the general public for consideration. An amendment to Bradford's Official Plan would be far more complicated and could take anywhere from 6 to 18 months or longer for a decision to be reached.
30. At the meeting with Bradford's Planning Department, the Receiver learned that it had been over a year since the last SPA submission by Delbrook and since that time there had been significant staff turnover in Bradford's Planning Department which appears to have impacted Bradford's approach

to increasing the density for the proposed development. The Receiver was advised that in addition to SPA:

- i. An increase to the dwelling units on the site could only be achieved through an amendment to Bradford's Official Plan; and
- ii. Based on Bradford's current zoning By-law an R3 zone allows for a minimum lot area of 140 square meters per dwelling unit or if the number of parking spaces provided as underground parking equals the number of apartment dwelling units in an apartment building then the figure is reduced to 70 square meters per dwelling unit. Therefore, based on Bradford's current R3 zoning By-law the maximum number of units that could be constructed on the southerly portion of the Property with 9,308 square meters of land is 133 dwelling units depending upon the number of underground parking spaces. Accordingly, the increase in density intensification would also require a Zoning By-law Amendment.

31. Bradford's Planning Department communicated the same information to GF2 who thereafter terminated the GF2 Offer on July 19, 2022. GF2 did not have the risk tolerance associated with obtaining final approvals for a proposed 7-storey, 239 dwelling unit building nor did they have the tolerance for the lengthy timelines associated with the whole approval process. Given the change in the commercial real estate market with increased interest rates, possible future interest rate increases on the horizon and the increased costs of construction given supply chain issues, the proposed development was not economically feasible with only 218 dwelling units and GF2 elected to terminate the GF2 Offer.
32. Taking into account Bradford's decision on the approvals necessary for density intensification for the Property, all future prospective purchasers would be faced with similar economic factors and associated risks with regard to obtaining approvals necessary to construct a 7-storey, 239 dwelling unit building on the Property. These aforementioned factors significantly reduced the potential value of the Property.
33. Given that the GF2 Offer was conditional, AY continued to market the Property for sale during the conditional period. On July 19, 2022 (the date of termination of the GF2 Offer) AY had received a total of 62 total inquiries and 20 groups had signed CA's many of which accessed AY's virtual data room. Some of the interested parties informed AY that if the conditional offer fell-through to contact them as they were still interested in Property.

34. In the circumstances, and after consultation with the first and second mortgagees, the Receiver instructed AY to contact other interested parties to see if they were interested in making offers for the Property before considering other options.

Proposed Transaction

35. AY provided the Receiver with an unconditional offer for the Property from 279 on July 27, 2022 with a proposed closing date 30 days following court approval of the sale transaction (the “**279 Offer**”). The purchase price contained in the 279 Offer is disclosed in Paragraph 35 of the Confidential Supplement. A deposit of 2.5% of the purchase price would be paid within 2 business days of acceptance of the offer with a further deposit of 5.0% of the purchase price paid within 10 business days of acceptance of the offer.
36. The Receiver signed back the 279 Offer on August 2, 2022 at a purchase price \$1.25 million higher than offered and reduced the proposed time to sale closing to 15 days following court approval of the sale transaction.
37. On August 2, 2022 and while negotiating the 279 APS, AY provided the Receiver with an email communication from a developer that had decided against making a conditional offer for the Property at a purchase as disclosed in Paragraph 37 of the Confidential Supplement. A copy of the entire email communication is attached as Appendix “D” of the Confidential Supplement.
38. On August 3, 2022, the Receiver received a sign-back from 279 with the only change to the Receiver’s counter-offer being a reduction of \$750,000 from the Receiver’s amended price.
39. While negotiating with 279, another party, Canada Grace Park Ltd. submitted a conditional offer for the Property on August 4, 2022 (the “**Grace Park Offer**”) with a purchase price as disclosed in Paragraph 39 of the Confidential Supplement. The offer was conditional until September 7, 2022. The conditions included general due diligence, inspection of the property by qualified engineers and architects, Phase 1 and 2 environmental assessments (if necessary), verifying with Bradford approvals necessary for the intended purpose and use of the property and verifying that the property was satisfactory to the buyer in its unfettered discretion. A copy of the Grace Park Offer is included as Appendix “E” to the Confidential Supplement.
40. After consulting with the various stakeholders with regard to the multiple offers received, on August 5, 2022 the Receiver accepted and executed the 279 APS. The 279 APS has a final purchase price as disclosed in Paragraph 40 of the Confidential Supplement and is expected to close 15 days following court approval of the Transaction. The 279 APS is included as Appendix “F” to the Confidential Supplement.

41. The Receiver's counsel has received significant deposits from 279 representing 7.5% of the final purchase price as set out in the 279 APS.
42. The Receiver is of the view that the Sale Process was conducted in a commercially reasonable manner and the Property was widely exposed to the market. AY listed the property for sale on MLS, marketed the Property on its website, erected a sign on the Property and advertised the development opportunity in the Globe and Mail on May 3 and 5, 2022 and in the Insolvency Insider. Additionally, AY sent 11 separate email blasts to over 4,500 parties each time during the approximately 4 months the Property was listed for sale. As a result of its marketing efforts, AY received a total of 66 total inquiries and 20 groups had signed CA's most of which accessed AY's virtual data room. AY's Final Marketing Progress Report and Tracking Report are included hereto as **Appendix "B"**.
43. The sale price received for the Property, although considerably lower when compared to the GF2 Offer, is consistent with the current zoning and the appraised value for the Property as reported in the Barnes Appraisal (and its underlying development assumptions as discussed in Paragraph 18). The Receiver understands that it is not likely that approvals for the proposed development of a 7-storey, 239 unit dwelling building on the south portion of the Property will ever be attainable, or if achievable, will come at significant cost, time and effort.
44. The first and second mortgagees support the Receiver's recommendation to the Court to accept the 279 APS.
45. Accordingly, for the reasons set out above, the Receiver recommends that the Court approve the 279 APS and authorize the Receiver to close the Transaction as contemplated under the 279 APS.

DISTRIBUTION OF NET SALE PROCEEDS

The Proposed Distributions

46. The Receiver's independent counsel, Robins Appleby, has provided the Receiver with a security opinion, attached hereto as **Appendix "C"**, regarding the security of the following mortgagees with registered security against the Property (the "**Mortgagees**"):
- i. Vander Kooij; and
 - ii. Prudent.
47. Robins Appleby has also provided to the Receiver a security opinion regarding the potential priority of the Construction liens over the Mortgagees.

48. The Receiver's counsel is of the view that, subject to certain standard assumptions and qualifications, the Vander Kooij mortgage is valid and enforceable in accordance with its terms and is in first priority. The Receiver's counsel is of the view that the Construction Liens have no priority with respect to the Vander Kooij mortgage. Moreover, neither Delbrook nor 108 Canada have claimed priority over the Vander Kooij mortgage and have confirmed the priority of the Vander Kooij mortgage.
49. The Receiver's counsel is of the view that, subject to certain standard assumptions and qualifications, the Prudent mortgage is valid and enforceable in accordance with its terms and is in second priority, subject only to the potential priority limited to the deficiency in the holdbacks required to be retained by the Debtor under Part IV of the Construction Act, R.S.O. 1990, c. C.30 (the "**Holdback Deficiencies**").
50. The Receiver calculates that the maximum amount of the potential Holdback Deficiencies is less than \$400,000. This position in respect of priority and maximum quantum of the Holdback Deficiencies has been confirmed by counsel for 108 Canada and Delbrook.
51. After payment of a sales commission, property tax arrears, and payment of the Receiver's fees and expenses to date plus a reserve for the Receiver's anticipated future fees and expenses to complete the administration of the receivership (collectively, the "**Priority Payments**"), there will be sufficient funds to fully repay the Vander Kooij and Prudent mortgages and maintain sufficient funds to repay the Lien Claimants to the extent of the maximum Holdback Deficiencies.
52. The Receiver has received a payout statement dated August 30, 2022 from Vander Kooij totaling \$2,169,436.97, excluding per diem interest of \$383.56 up to the date of repayment. Additionally, the Receiver has received a payout statement from Prudent dated September 7, 2022 totaling \$737,118.21, excluding per diem interest of \$172.60 up to the date of repayment. As at the date of the First Report, the Receiver has requested certain information and supporting documentation in respect \$29,900 included in Prudent's payout statement and will consider making a distribution in respect of those amounts at a later date. The Vander Kooij and Prudent payout statements are attached hereto as **Appendix "D"**.
53. The Receiver therefore recommends making a final distribution to Vander Kooij based on the payout statement provided to the Receiver after being brought current to the date of the proposed distribution. The Receiver also recommends making an interim distribution to Prudent based on the payout statement provided to the Receiver, after being brought current to the date of the proposed distribution, subject to the Receiver withholding \$29,900 that may be part of a potential

further distribution for this amount. The proposed distributions to Vander Kooj and Prudent are referred to herein as the **“Proposed Distributions”**.

54. The Receiver is seeking approval of the Proposed Distribution from the Court so that it can make a final distribution to Vander Kooj and an interim distribution to Prudent, following the receipt of the Transaction sale proceeds. The Receiver considers it prudent to repay the borrowings to these Mortgagees in order eliminate the ongoing interest and other costs being incurred.

SEALING ORDER

55. In the event that the Court does not grant the Approval and Vesting Order or the Transaction does not close, the Receiver is of the view that efforts to re-market the Property would be impaired if the contents of the Confidential Supplement were to be made public at this time. Accordingly, the Receiver believes that it is appropriate for the Confidential Supplement to remain confidential until such time as the Transaction closes. Accordingly, the Receiver requests and order sealing the Confidential Supplement.

FEES AND DISBURSEMENTS

56. Pursuant to the Receivership Order, any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver and the fees and disbursements of the Receiver’s legal counsel, constitute part of the **“Receiver’s Charge”**.
57. The Receiver’s fees and disbursements for the period of January 28, 2022 to August 30, 2022 were \$80,447.50 and HST of \$10,275.65, for a total of \$90,723.15, which are described in the Affidavit of Gary Cerrato sworn September 8, 2022, a copy of which is attached hereto as **Appendix “E”**.
58. Robins Appleby’s fees and disbursements for the period of March 4, 2022 to August 30, 2022 were \$45,454.00 plus disbursement of \$585.88 and applicable taxes of \$5,959.40 for an aggregate amount of \$51,999.28, as set out in the affidavit of Irving Marks sworn September 7, 2022, a copy of which is attached hereto as **Appendix “F”**.
59. The Receiver respectfully submits that the Receiver’s fees and disbursements and Robins Appleby’s fees and disbursements are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Receivership Order.

SUMMARY AND RECOMMENDATIONS

60. Based on the foregoing, the Receiver respectfully requests that this Court grant Order(s):
- a. approving and authorizing the 279 APS and approving the Transaction;

- b. vesting Debtor's right, title and interest, if any, in and to the Property free and clear of all encumbrances, except permitted encumbrances, subject to the terms of the 279 APS;
- c. sealing the Confidential Supplement;
- d. approving the Proposed Distributions to the Mortgagees as set out herein;
- e. approving the activities of the Receiver, as described in this First Report; and
- f. approving the fees and disbursements of the Receiver and its legal counsel, Robins Appleby as set out in this First Report, and to authorize the Receiver to pay all approved and unpaid fees and disbursements.

All of which is respectfully submitted this 8th day of September 2022.

BDO CANADA LIMITED,
in its capacity as the Court-appointed Receiver of
Triumph Development HK Bradford Twin Regency Inc.
Per:



Name: Gary Cerrato, CIRP, LIT
Title: Senior Vice-President

APPENDIX C



Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
)
JUSTICE CAVANAGH) WEDNESDAY, THE 14th
)
) DAY OF SEPTEMBER, 2022

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

ORDER

(Approval and Vesting Order)

THIS MOTION made by the BDO Canada Limited ("**BDO**"), in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the of the Property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario (the "**Property**") owned by Triumph Development HK Bradford Twin Regency Inc.'s (the "**Debtor**"), for the relief set out in the Notice of Motion dated September 8, 2022, including the approval of the sale transaction (the

"**Transaction**") contemplated by an Asset Purchase Agreement between the Receiver in its capacity as Receiver of the Property and 2792523 Ontario Inc. (in Trust) (the "**Purchaser**" which shall include any party the Purchaser may nominate or direct) dated July 27, 2022 (the "**Sale Agreement**"), and vesting in the Purchaser the Debtor's right, title, benefit and interest in the assets described in the Sale Agreement (the "**Purchased Assets**") was heard this day by videoconference as a result of the Covid-19 pandemic.

ON READING the Motion Record of the Receiver and the First Report of the Receiver dated September 8, 2022 (the "**Receiver's First Report**"), the Confidential Supplemental Report of the Receiver dated September 8, 2022 (the "**Confidential Supplemental Report**"), the Affidavit of Irving Marks sworn September 7, 2022 (the "**Robins Fee Affidavit**") and the Affidavit of Gary Cerrato sworn September 8, 2022 (the "**BDO Fee Affidavit**") and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn September 8, 2022, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as

may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of Debtor's right, title, benefit and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order dated the 1st day of March, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule B** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule C**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the applicable land registry office or land titles office of a Transfer/Deed of Land or equivalent document, or of an application for registration of this Order in the applicable prescribed form, the applicable land registrar or

equivalent official is hereby directed to enter the Purchaser as the owner of the subject real property in fee simple, and is hereby directed to delete and expunge from title to the real property all of the Claims listed in **Schedule B** hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or

voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.



Digitally signed by
Mr. Justice
Cavanagh

SCHEDULE A
FORM OF RECEIVER'S CERTIFICATE

Court File No.: CV-22-00677227-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "**Court**") dated March 1st, 2022, BDO Canada Limited was appointed as receiver (the "**Receiver**") of the Property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario, Toronto, Ontario (the "**Property**") owned by Triumph Development HK Bradford Twin Regency Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated September 14, 2022, the Court approved the asset purchase agreement made as of July 27, 2022 (the "**Sale Agreement**") between the Receiver and 2792523 Ontario Inc. (in Trust) (the "**Purchaser**") and provided for the vesting in the Purchaser of Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser

of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets, (ii) that the conditions to closing as set out in the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Asset Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Asset Purchase Agreement;
2. The conditions to closing as set out in the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**BDO Canada Limited, in its capacity as
Receiver of the Property municipally known
as 2362 Line 8, Bradford West Gwillimbury,
Ontario, and not in its personal capacity**

Per: _____

Name: Josie Parisi

Title: Senior Vice-President

SCHEDULE B
CLAIMS TO BE DELETED AND EXPUNGED FROM TITLE TO REAL PROPERTY

PIN 58041-0010

1. Charge from Triumph Development HK Bradford Twin Regency Inc. to Peter Vander Kooij and Leni Vander Kooij registered on June 19, 2017 as Instrument No. SC1421256.
2. Notice Amending Charge from Triumph Development HK Bradford Twin Regency Inc. to Peter Vander Kooij and Leni Vander Kooij registered on June 20, 2019 as Instrument No. SC1602179.
3. Charge from Triumph Development HK Bradford Twin Regency Inc. to Prudent Excellence Mortgage Investment Corporation registered on June 19, 2017 as Instrument No. SC1760648.
4. Construction Lien from Delbrook Triumphant Builders Inc. to Triumph Development HK Bradford Twin Regency Inc. registered on April 6, 2021 as Instrument No. SC1768859.
5. Construction Lien from 10853828 Canada Inc. to Triumph Development HK Bradford Twin Regency Inc. registered on April 6, 2021 as Instrument No. SC1768866.
6. Construction Lien from Gerrits Engineering Limited to Triumph Development HK Bradford Twin Regency Inc. registered on April 30, 2021 as Instrument No. SC1776388.
7. Certificate of Action from Delbrook Triumphant Builders Inc. to Triumph Development HK Bradford Twin Regency Inc. registered on May 20, 2021 as Instrument No. SC1783814.
8. Certificate of Action from 10853828 Canada Inc. to Triumph Development HK Bradford Twin Regency Inc. registered on May 20, 2021 as Instrument No. SC1783823.
9. Certificate of Action from Gerrits Engineering Limited to Triumph Development HK Bradford Twin Regency Inc. registered on June 11, 2021 as Instrument No. SC1791485.
10. Charge from Triumph Development HK Bradford Twin Regency Inc. to Xiaofeng Fu and Meng Sun registered on as Instrument No. SC1802980.
11. Court Order registered on March 8, 2022 as Instrument SC1876393.

SCHEDULE C
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS
RELATED TO THE REAL PROPERTY (UNAFFECTED BY THE VESTING ORDER)

1. The reservations, limitations, provisions and conditions expressed in the original grant from the Crown and all unregistered rights, interests and privileges in favour of the Crown under or pursuant to any applicable statute or regulation.
2. Any subdivision agreement, development agreement, servicing agreement, site plan agreement or any other agreement, document, regulation, subdivision control by-law or other instrument containing provisions relating to the Lands or the use, development, installation of services and utilities or the erection of buildings or other improvements in or on the Lands.
3. All easements, licenses, rights-of-way, watercourses and rights (and all reference plans with respect thereto), whether registered or unregistered, including without limitation those for access or for the installation and maintenance of public and private utilities and other services including without limitation, telephone lines, hydro-electric lines, gas mains, water mains, sewers and drainage and other services or for the maintenance, repair or replacement of any adjoining building or lands, including any cost sharing agreement relating thereto, or any right of re-entry reserved by a predecessor in title.
4. Any restrictive covenants and building restrictions affecting the Lands.
5. Any defects of title or encroachments by or onto the Lands, whether by gardens, fences, trees, buildings, foundations, or other structures or things, which may be revealed by any survey or reference plan of the Lands, whether now in existence or not.
6. Utility agreements, and other similar agreements with Authorities or private or public utilities affecting the Lands.
7. Liens for taxes, local improvements, assessments or governmental charges or levies not at the time due or delinquent.
8. Undetermined, inchoate or statutory liens and charges (including, without limitation, the liens of public utilities, workers, suppliers of materials, contractors, subcontractors, architects and unpaid Receivers of moveable property) incidental to any current operations of the Lands which have not been filed pursuant to any legal requirement or which relate to obligations not yet due or delinquent.
9. Zoning restrictions, restrictions on the use of the Lands or minor irregularities in title thereto.
10. The reservations, limitations, conditions and exceptions to title set out in the *Land Titles Act (Ontario)*.
11. Instrument No. 51R37039.

SCHEDULE D
LEGAL DESCRIPTION

PIN 58041-0138 (LT)

PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
51R37039; TOWN OF BRADFORD WEST GWILLIMBURY

**PRUDENT EXCELLENCE
MORTGAGE INVESTMENT
CORPORATION**

- and- **TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY INC.**

Applicant

Respondent

Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

dmichaud@robapp.com
Tel: (416) 360-3795

Anisha Samat LSO No. 82342Q

Email: asamat@robapp.com
Tel: (416) 360-3728

Lawyers for the Receiver, BDO Canada Limited



Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
)
JUSTICE CAVANAGH) WEDNESDAY, THE 14th
)
) DAY OF SEPTEMBER, 2022

BETWEEN:

**PRUDENT EXCELLENCE MORTGAGE INVESTMENT
CORPORATION**

Applicant

-and-

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.

Respondent

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

**ORDER
(Administration and Interim Distribution)**

THIS MOTION made by the BDO Canada Limited ("**BDO**"), in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the property municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario (the "**Property**") owned by Triumph Development HK Bradford Twin Regency Inc.'s (the "**Debtor**"), for the relief set out in the Notice of Motion dated September 8, 2022, including the approval of the sale transaction (the "**Transaction**") contemplated by an Asset Purchase Agreement between the Receiver in its

capacity as Receiver of the Property and 2792523 Ontario Inc. (in Trust) (the "**Purchaser**") made as of July 27, 2022 (the "**Sale Agreement**"), and vesting in the Purchaser the Debtor's right, title, benefit and interest in the assets described in the Sale Agreement (the "**Purchased Assets**") was heard this day by videoconference as a result of the Covid-19 pandemic.

ON READING the Motion Record of the Receiver and the First Report of the Receiver dated September 8, 2022 (the "**Receiver's First Report**"), the Confidential Supplemental Report of the Receiver dated September 8, 2022 (the "**Confidential Supplemental Report**"), the Affidavit of Irving Marks sworn September 7, 2022 (the "**Robins Fee Affidavit**") and the Affidavit of Gary Cerrato sworn September 8, 2022 (the "**BDO Fee Affidavit**") and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn September 8, 2022, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service hereof.

DISTRIBUTIONS

2. **THIS COURT ORDERS** that the Receiver is hereby authorized to make distributions to the following mortgagees in accordance with paragraph 53 of the Receiver's First Report:

- (a) Leni Vander Kooij and Peter Vander Kooij;
- (b) Prudent Excellence Mortgage Investment Corp.;

SEALING

3. **THIS COURT ORDERS** that the Confidential Supplemental Report is hereby sealed until the closing of the Transaction or upon further order of the Court.

APPROVAL OF ACTIVITIES

4. **THIS COURT ORDERS** that the activities of the Receiver as described in the Receiver's First Report are hereby approved.

5. **THIS COURT ORDERS** that the of the Interim Receipts and Disbursements of the Receiver as described in the Receiver's First Report are hereby approved.

APPROVAL OF RECEIVER' FEES AND EXPENSES

6. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel as described in the Receiver's First Report, the BDO Fee Affidavit and the Robins Fee Affidavit are hereby approved.



Digitally signed
by Mr. Justice
Cavanagh

**PRUDENT EXCELLENCE
MORTGAGE INVESTMENT
CORPORATION**

- and -

**TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY INC.**

Applicant

Respondent

Court File No.: CV-22-00677227-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

PROCEEDING COMMENCED AT TORONTO

**ORDER
(Administration and Interim Distribution)**

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

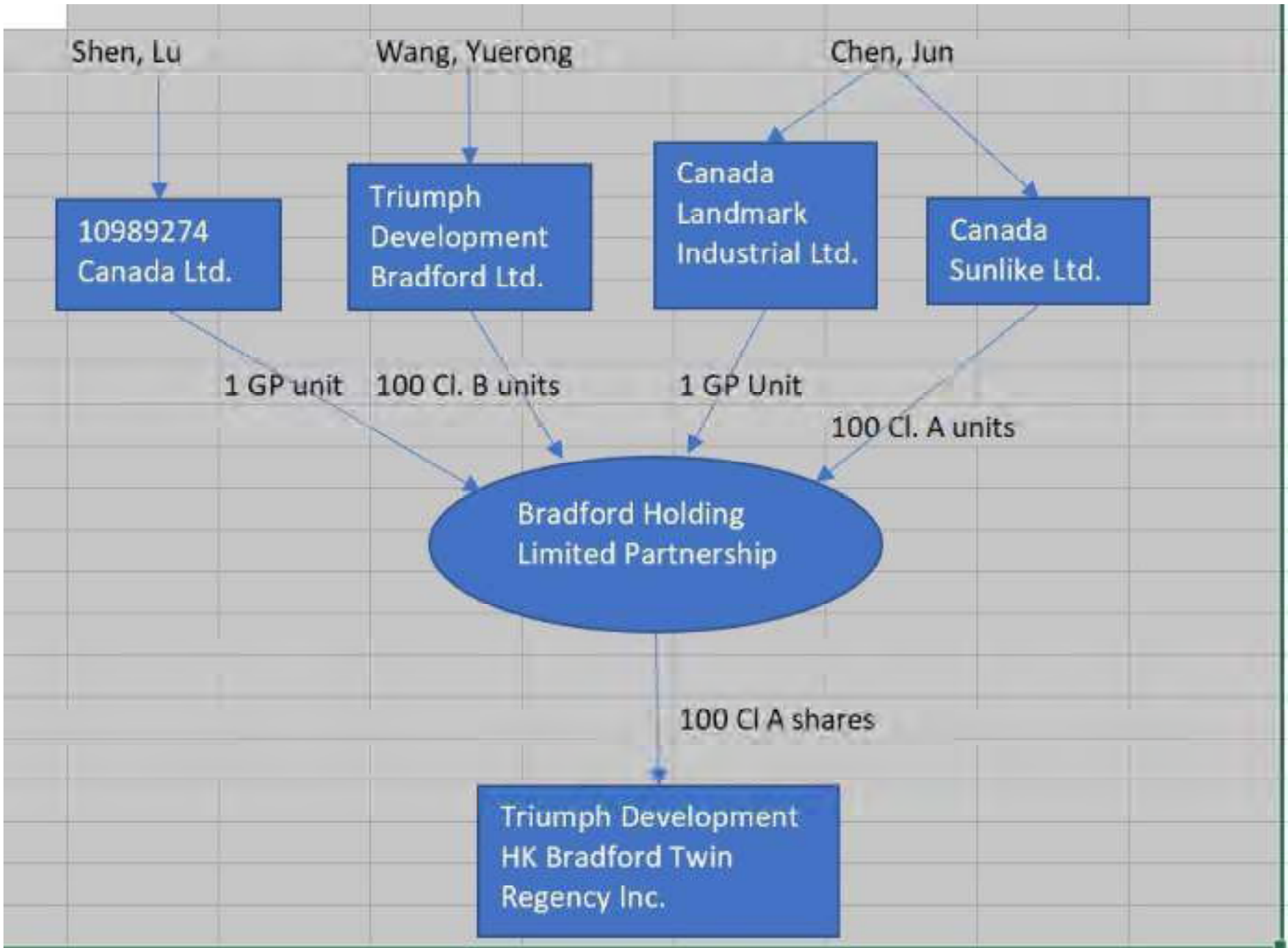
dmichaud@robapp.com
Tel: (416) 360-3795

Anisha Samat LSO No. 82342Q

Email: asamat@robapp.com
Tel: (416) 360-3728

Lawyers for the Receiver, BDO Canada Limited

APPENDIX D



APPENDIX E

Triumph Development HK Bradford Twin Regency Inc.

REGISTER OF SHAREHOLDERS

Name of Shareholder (Last, First, Second)	Date Became Shareholder	Date Ceased to be Shareholder	Class & Kind Of Shares	Par Value	Considerations Paid to Company
WANG, Yuerong	2017-06-08	2018-09-01	100 Class A	N/A	\$100 (\$100)
Bradford Holding Limited Partnership	2018-09-01		100 Class A	N/A	\$100

APPENDIX F

April 13, 2020

Mrs. Wang,

Corporate Tax Return Filing Instructions

T2 - CORPORATION INCOME TAX RETURN (FEDERAL)

Federal corporate income tax returns will be electronically transmitted to the CRA. In order for us to electronically file the corporation's corporate income tax return, a signed copy of Form T183CORP, *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the company's corporate income tax return until we receive a signed T183CORP form.

Signature

Form T183CORP, *Information Return for Corporations Filing Electronically*, should be completed and signed.

Mailing

A copy of the signed T183CORP form should be returned to us in the self-addressed envelope as soon as possible in order to have the corporation's corporate income tax return filed on or before the due date for filing.

Payment

No amount is payable for the 2019 taxation year.

WJDS-Times CPA Inc.

Information Return for Corporations Filing Electronically

- You have to complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed to the Canada Revenue Agency (CRA) on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the *Income Tax Act*, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your corporation income tax return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- **Do not submit** this form to the CRA unless we ask for it.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

Part 1 – Identification

Corporation's name Triumph Development HK Bradford Twin Regency Inc.			Business number 70963 7128 RC0001
Tax year ▶	From Y M D 2019-01-01	To Y M D 2019-12-31	Is this an amended return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Part 2 – Declaration

Enter the following amounts, if applicable, from your corporation income tax return for the tax year noted above:

Net income (or loss) for income tax purposes from Schedule 1, financial statements, or GIFI (line 300)	-120,423
Part I tax payable (line 700)	_____
Part II surtax payable (line 708)	_____
Part III.1 tax payable (line 710)	_____
Part IV tax payable (line 712)	_____
Part IV.1 tax payable (line 716)	_____
Part VI tax payable (line 720)	_____
Part VI.1 tax payable (line 724)	_____
Part XIV tax payable (line 728)	_____
Net provincial and territorial tax payable (line 760)	_____

Part 3 – Certification and authorization



Sign up for online mail!

Get your CRA mail electronically delivered in My Business Account at cra.gc.ca/mybusinessaccount

I understand that by providing an email address, I am **registering** the corporation for the 'Manage online mail' service. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent.

Email address for online mail (optional): _____

I, Wang Last name Yuerong First name Director Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined the corporation T2 income tax return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the corporation income tax return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

2020-04-13

Date (yyyy/mm/dd)

Signature of an authorized signing officer of the corporation

(416) 666-4168

Telephone number

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

WJDS-Times CPA Inc. Name of person or firm L7556 Electronic filer number

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

T2 Corporation Income Tax Return

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see canada.ca/taxes or Guide T4012, T2 Corporation – Income Tax Guide.

055 Do not use this area

Identification

Business number (BN) **001** 70963 7128 RC0001

Corporation's name
002 Triumph Development HK Bradford Twin Regency Inc.

Address of head office
Has this address changed since the last time we were notified? **010** Yes No

If **yes**, complete lines 011 to 018.

011 350 Highway 7 East

012 Suite 310

015 Richmond Hill **016** ON

017 Country (other than Canada) **018** L4B 3N2

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? **020** Yes No

If **yes**, complete lines 021 to 028.

021 c/o

022

023

025 City **026** Province, territory, or state

027 Country (other than Canada) **028** Postal or ZIP code

029 L4B 3N2

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? **030** Yes No

If **yes**, complete lines 031 to 038.

031 350 Highway 7 East

032 Suite 310

035 Richmond Hill **036** ON

037 Country (other than Canada) **038** L4B 3N2

040 Type of corporation at the end of the tax year (tick one)

1 Canadian-controlled private corporation (CCPC)

2 Other private corporation

3 Public corporation

4 Corporation controlled by a public corporation

5 Other corporation (specify) _____

If the type of corporation changed during the tax year, provide the effective date of the change **043** Year Month Day

To which tax year does this return apply?
Tax year start Year Month Day **060** 2019-01-01 Tax year-end Year Month Day **061** 2019-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? **063** Yes No
If **yes**, provide the date control was acquired **065** Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? **066** Yes No

Is the corporation a professional corporation that is a member of a partnership? **067** Yes No

Is this the first year of filing after:
Incorporation? **070** Yes No
Amalgamation? **071** Yes No
If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? **072** Yes No
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? **076** Yes No

Is this the final return up to dissolution? **078** Yes No

If an election was made under section 261, state the functional currency used **079** _____

Is the corporation a resident of Canada? **080** Yes No
If **no**, give the country of residence on line 081 and complete and attach Schedule 97.

081 _____

Is the non-resident corporation claiming an exemption under an income tax treaty? **082** Yes No
If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:
085 1 Exempt under paragraph 149(1)(e) or (l)
 2 Exempt under paragraph 149(1)(j)
 3 Exempt under paragraph 149(1)(t) (for tax years starting before 2019)
 4 Exempt under other paragraphs of section 149

095 Do not use this area **096** **898**

Attachments

Financial statement information: Use GIFL schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	<input type="checkbox"/>	9
Is the corporation an associated CCPC?	<input type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	<input type="checkbox"/>	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Does the corporation earn income from one or more Internet web pages or websites?	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or	<input type="checkbox"/>	
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input type="checkbox"/>	8
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input type="checkbox"/>	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

Attachments (continued)

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	<input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	<input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity?		531310 Real Estate Property Managers	
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	Real Estate Property Managers	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the tax year?	291	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	-120,423	A
Deduct:			
Charitable donations from Schedule 2	311		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine made before March 22, 2017, from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Employer deduction for non-qualified securities under an employee stock options agreement			
		a	
		Subtotal	B
		Subtotal (amount A minus amount B) (if negative, enter "0")	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360		
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			Z
Taxable income for the year from a personal services business			Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income eligible for the small business deduction from Schedule 7	400	A
Taxable income from line 360 on page 3, minus 100/28 (3.57143) of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, and minus any amount that, because of federal law, is exempt from Part I tax	405	B
Business limit (see notes 1 and 2 below)	410	500,000 C

- Notes:**
- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year **divided** by 365, and enter the result on line 410.
 - For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction

Taxable capital business limit reduction

Amount C 500,000 x **415** *** = 11,250 D = _____ E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . **417** - 50,000 = _____ F

Amount C 500,000 x Amount F 100,000 = _____ G

Subtotal (the greater of amount E and amount G) **422** _____ H

Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0") **425** _____ I

Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0") **426** 500,000 _____ J

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5) _____ K

Reduced business limit after assignment for tax years starting before 2019 (amount I **minus** amount K) **427** _____ L

Reduced business limit after assignment for tax years starting after 2018 (amount J **minus** amount K) **428** 500,000 _____ M

Small business deduction

Tax years starting before 2019

Amount A, B, C, or L, whichever is the least _____ x $\frac{\text{Number of days in the tax year before January 1, 2018}}{\text{Number of days in the tax year}}$ x 17.5 % = _____ 1

Amount A, B, C, or L, whichever is the least _____ x $\frac{\text{Number of days in the tax year after December 31, 2017, and before January 1, 2019}}{\text{Number of days in the tax year}}$ x 18 % = _____ 2

Amount A, B, C, or L, whichever is the least _____ x $\frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}}$ x 19 % = _____ 3

Tax years starting after 2018

Amount A, B, C, or M, whichever is the least _____ x 19 % = _____ 4

Small business deduction (total of amounts 1 to 4) **430** _____ N

Enter amount N at amount J on page 8.

- * Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- ** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations. For the first tax year starting after 2018, use the total of lines 744 of Schedule 7. Otherwise, use the total of lines 745 of the preceding tax year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O ³	Q Business limit assigned to corporation identified in column O ⁴
1.	490	500	505
Total		510	515

Notes:

- This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
 - persons (other than the private corporation) with which the corporation deals at arm's length, or
 - partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)	.....	_____	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	.....	_____	B
Amount 13K from Part 13 of Schedule 27	.....	_____	C
Personal services business income	.....	432	D
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least	.....	_____	E
Aggregate investment income from line 440 on page 6*	.....	_____	F
Subtotal (add amounts B to F)			_____ ▶ G
Amount A minus amount G (if negative, enter "0")	.....	_____	H

General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13 % **_____** I
Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)	.....	_____	J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27	.....	_____	K
Amount 13K from Part 13 of Schedule 27	.....	_____	L
Personal services business income	.....	434	M
Subtotal (add amounts K to M)			_____ ▶ N
Amount J minus amount N (if negative, enter "0")	.....	_____	O

General tax reduction – Amount O multiplied by 13 % **_____** P
Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 **440** x 30 2 / 3 % = A

Foreign non-business income tax credit from line 632 on page 8 B

Foreign investment income from Schedule 7 **445** x 8 % = C

Subtotal (amount B minus amount C) (if negative, enter "0") **▶** D

Amount A minus amount D (if negative, enter "0") **=====** E

Taxable income from line 360 on page 3 F

Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least G

Foreign non-business income tax credit from line 632 on page 8 x 75 / 29 = H

Foreign business income tax credit from line 636 on page 8 x 4 = I

Subtotal (add amounts G to I) **▶** J

Subtotal (amount F minus amount J) (if negative, enter "0") K x 30 2 / 3 % = L

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9) **=====** M

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** **=====** N

Refundable dividend tax on hand (for tax years starting before 2019)

Refundable dividend tax on hand at the end of the previous tax year **460**

Dividend refund for the previous tax year **465**

Subtotal (line 460 minus line 465) **▶** O

Refundable portion of Part I tax from line 450 above P

Total Part IV tax payable from Schedule 3 Q

Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary **480**

Subtotal (amount P plus amount Q plus line 480) **▶** R

Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R **485** **=====**

Dividend refund (for tax years starting before 2019)

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3 x 38 1 / 3 % = S

Refundable dividend tax on hand at the end of the tax year from line 485 above **=====** T

Dividend refund – Amount S or T, whichever is less **=====** U

Enter amount U on line 784 on page 9.

Refundable dividend tax on hand (for tax years starting after 2018)

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460		
Dividend refund for the previous tax year	465		
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480		
Subtotal (line 460 minus line 465 plus line 480)			A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)			B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)		C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)		D	
Subtotal (amount C minus amount D) (if negative, enter "0")			E
Net GRIP at the end of the previous tax year (amount B minus amount E) (if negative, enter "0")		F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)		G	
Subtotal (amount F plus amount G)			H
Amount H multiplied by 38 1 / 3 %			I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A minus amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")	535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)		L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)		M	
Subtotal (amount L plus amount M)			N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525		O
ERDTOH dividend refund for the previous tax year	570		P
Refundable portion of Part I tax (from line 450 on page 6)			Q
Part IV tax before deductions (amount 2A from Schedule 3)		R	
Part IV tax allocated to ERDTOH (amount N)		S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)		T	
Subtotal (amount R minus total of amounts S and T)			U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540		V
NERDTOH dividend refund for the previous tax year	575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)			X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0")			Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0")	545		Z
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")			
ERDTOH at the end of the tax year* (total of amounts J, O, and Z minus amount P) (if negative, enter "0")	530		

* For more information, consult the Help (F1).

Dividend refund (for tax years starting after 2018)

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)		DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD minus amount EE (if negative, enter "0")		GG
Amount BB minus amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund* – Amount CC plus amount FF plus amount II		JJ
Enter amount JJ on line 784 on page 9.		

* For more information, consult the Help (F1).

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 % **550** _____ A

Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business **555** _____ x 5 % = **560** _____ B

Recapture of investment tax credit from Schedule 31 **602** _____ C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 _____ D

Taxable income from line 360 on page 3 _____ E

Deduct:
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least _____ F

Net amount (amount E **minus** amount F) _____ **▶** _____ G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G **604** _____ H

Subtotal (**add** amounts A, B, C, and H) _____ I

Deduct:
Small business deduction from line 430 on page 4 _____ J

Federal tax abatement **608** _____

Manufacturing and processing profits deduction from Schedule 27 **616** _____

Investment corporation deduction **620** _____

Taxed capital gains **624** _____

Federal foreign non-business income tax credit from Schedule 21 **632** _____

Federal foreign business income tax credit from Schedule 21 **636** _____

General tax reduction for CCPCs from amount I on page 5 **638** _____

General tax reduction from amount P on page 5 **639** _____

Federal logging tax credit from Schedule 21 **640** _____

Eligible Canadian bank deduction under section 125.21 **641** _____

Federal qualifying environmental trust tax credit **648** _____

Investment tax credit from Schedule 31 **652** _____

Subtotal _____ **▶** _____ K

Part I tax payable – Amount I **minus** amount K _____ L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 at canada.ca/cra-info-source.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	_____
Part II surtax payable from Schedule 46	708	_____
Part III.1 tax payable from Schedule 55	710	_____
Part IV tax payable from Schedule 3	712	_____
Part IV.1 tax payable from Schedule 43	716	_____
Part VI tax payable from Schedule 38	720	_____
Part VI.1 tax payable from Schedule 43	724	_____
Part XIII.1 tax payable from Schedule 92	727	_____
Part XIV tax payable from Schedule 20	728	_____

Total federal tax _____

Add provincial or territorial tax:

Provincial or territorial jurisdiction **750** ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta) _____
Total tax payable **760** _____
770 _____ A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	_____
Dividend refund from amount U on page 6 or JJ on page 7	784	_____
Federal capital gains refund from Schedule 18	788	_____
Federal qualifying environmental trust tax credit refund	792	_____
Canadian film or video production tax credit (Form T1131)	796	_____
Film or video production services tax credit (Form T1177)	797	_____
Tax withheld at source	800	_____

Total payments on which tax has been withheld **801** _____

Provincial and territorial capital gains refund from Schedule 18 **808** _____

Provincial and territorial refundable tax credits from Schedule 5 **812** _____

Tax instalments paid **840** _____

Labour tax credit for qualifying journalism organizations _____
Total credits **890** _____ B

Refund code **894** _____ Refund _____

Balance (amount A minus amount B) _____

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance owing _____

For information on how to make your payment, go to canada.ca/payments.

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

Start Change information **910** _____
Branch number

914 _____ **918** _____
Institution number Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? **896** Yes No

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** L7556

Certification

I, **950** Wang Last name **951** Yuerong First name **954** Director Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2020-04-13 Date (yyyy/mm/dd) _____ Signature of the authorized signing officer of the corporation _____ **956** (416) 666-4168 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below **957** Yes No

958 _____ Name of other authorized person _____ **959** _____ Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering **1** for English or **2** for French. **990**

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Corporation's name	Business number	Tax year end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	1,138,598	553,430
	Total tangible capital assets	2008 +	6,048,407	5,064,530
	Total accumulated amortization of tangible capital assets	2009 -		
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +		
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	<u>7,187,005</u>	<u>5,617,960</u>
Liabilities				
	Total current liabilities	3139 +	3,769,345	3,176,976
	Total long-term liabilities	3450 +	3,600,000	2,495,000
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	<u>7,369,345</u>	<u>5,671,976</u>
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	-182,340	-54,016
	Total liabilities and shareholder equity	3640 =	<u>7,187,005</u>	<u>5,617,960</u>
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	<u>-182,440</u>	<u>-54,116</u>

* Generic item

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

Income statement information

Description	GIFI
Operating name	0001
Description of the operation	0002
Sequence number	0003 01

Account	Description	GIFI	Current year	Prior year
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Income statement information

Total sales of goods and services	8089	+		
Cost of sales	8518	-		
Gross profit/loss	8519	=		
Cost of sales	8518	+		
Total operating expenses	9367	+	128,324	38,394
Total expenses (mandatory field)	9368	=	128,324	38,394
Total revenue (mandatory field)	8299	+		
Total expenses (mandatory field)	9368	-	128,324	38,394
Net non-farming income	9369	=	-128,324	-38,394

Farming income statement information

Total farm revenue (mandatory field)	9659	+		
Total farm expenses (mandatory field)	9898	-		
Net farm income	9899	=		

Net income/loss before taxes and extraordinary items	9970	=	-128,324	-38,394
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Total other comprehensive income	9998	=		
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Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975	-		
Legal settlements	9976	-		
Unrealized gains/losses	9980	+		
Unusual items	9985	-		
Current income taxes	9990	-		
Future (deferred) income tax provision	9995	-		
Total – Other comprehensive income	9998	+		
Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	-128,324	-38,394

Notes Checklist

Corporation's name Triumph Development HK Bradford Twin Regency Inc.	Business number 70963 7128 RC0001	Tax Year End Year Month Day 2019-12-31
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- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? **095** Yes No

Is the accountant connected* with the corporation? **097** Yes No

Note
If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you **do have** to complete Part 4, as applicable.

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report 1

Completed a review engagement report 2

Conducted a compilation engagement 3

Part 3 – Reservations

If you selected option 1 or 2 under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? **099** Yes No

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options: **110**

Prepared the tax return (financial statements prepared by client) 1

Prepared the tax return and the financial information contained therein (financial statements have not been prepared) 2

Were notes to the financial statements prepared? **101** Yes No

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? **104** Yes No

Is re-evaluation of asset information mentioned in the notes? **105** Yes No

Is contingent liability information mentioned in the notes? **106** Yes No

Is information regarding commitments mentioned in the notes? **107** Yes No

Does the corporation have investments in joint venture(s) or partnership(s)? **108** Yes No

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? **200** Yes No

If **yes**, enter the amount recognized:

	In net income Increase (decrease)	In OCI Increase (decrease)
Property, plant, and equipment	210 _____	211 _____
Intangible assets	215 _____	216 _____
Investment property	220 _____	
Biological assets	225 _____	
Financial instruments	230 _____	231 _____
Other	235 _____	236 _____

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? **250** Yes No

Did the corporation apply hedge accounting during the tax year? **255** Yes No

Did the corporation discontinue hedge accounting during the tax year? **260** Yes No

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? **265** Yes No

If **yes**, you have to maintain a separate reconciliation.

SCHEDULE 100**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

Assets – lines 1000 to 2599

1000	21,153	1066	54,122	1400	1,007,701
1486	55,622	1599	1,138,598	1600	5,646,429
1684	401,978	2008	6,048,407	2599	7,187,005

Liabilities – lines 2600 to 3499

2629	583,096	2780	2,553,295	2860	632,954
3139	3,769,345	3140	2,000,000	3141	1,600,000
3450	3,600,000	3499	7,369,345		

Shareholder equity – lines 3500 to 3640

3500	100	3600	-182,440	3620	-182,340
3640	7,187,005				

Retained earnings – lines 3660 to 3849

3660	-54,116	3680	-128,324	3849	-182,440
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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8299 0

Operating expenses – lines 8520 to 9369

8520 73,523	8523 15,802	8710 796
8810 7,868	8860 8,444	9060 13,556
9200 8,335	9367 128,324	9368 128,324
9369 -128,324		

Extraordinary items and taxes – lines 9970 to 9999

9970 -128,324 **9999** -128,324

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name Triumph Development HK Bradford Twin Regency Inc.	Business number 70963 7128 RC0001	Tax year-end Year Month Day 2019-12-31
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- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation – Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 -128,324 **A**

Add:

Non-deductible meals and entertainment expenses **121** 7,901
 Subtotal of additions 7,901 ▶ 7,901

Other additions:

Miscellaneous other additions:

1 Description	2 Amount		
605	295		
Total of column 2		296	
		199	0 ▶
		Total additions	500 7,901 ▶ 7,901

Amount A plus line 500 -120,423 **B**

Deduct:

Subtotal of deductions ▶

Other deductions:

Miscellaneous other deductions:

1 Description	2 Amount		
705	395		
Total of column 2		396	
		499	0 ▶
		Total deductions	510 0 ▶ 0

Net income (loss) for income tax purposes (amount B minus line 510) -120,423 **C**

Enter amount C on line 300 of the T2 return.

Corporation Loss Continuity and Application

Corporation's name Triumph Development HK Bradford Twin Regency Inc.	Business number 70963 7128 RC0001	Tax year-end Year Month Day 2019-12-31
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- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- All legislative references are to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-120,423	A
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	a		
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)	b		
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)	c		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)	d		
Amount of an employer for non-qualified securities under an employee stock options agreement deductible under paragraph 110(1)(e)	1d		
Subtotal (total of amounts a to 1d)			B
Subtotal (amount A minus amount B; if positive, enter "0")		-120,423	C
Deduct: (increase a loss)			
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions			D
Subtotal (amount C minus amount D)		-120,423	E
Add: (decrease a loss)			
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss)			F
Current-year non-capital loss (amount E plus amount F; if positive, enter "0")		-120,423	G

If amount G is negative, enter it on line 110 as a positive.

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year	86,308		e
Deduct: Non-capital loss expired (note 1)			
	100		f
Non-capital losses at the beginning of the tax year (amount e minus amount f)	102	86,308	H
Add:			
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary (note 2) corporation	105		g
Current-year non-capital loss (from amount G)	110	120,423	h
Subtotal (amount g plus amount h)		120,423	I
Subtotal (amount H plus amount I)		206,731	J

Note 1: A non-capital loss expires as follows:

- after **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss after **10** tax years if it arose in a tax year ending after March 22, 2004.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

Part 1 – Non-capital losses (continued)

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	150	i
Section 80 – Adjustments for forgiven amounts	140	j
Subsection 111(10) – Adjustments for fuel tax rebate		j.1
Non-capital losses of previous tax years applied in the current tax year	130	k
Enter amount k on line 331 of the T2 Return.		
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3)	135	l
Subtotal (total of amounts i to l)		K
Non-capital losses before any request for a carryback (amount J minus amount K)		206,731 L

Deduct – Request to carry back non-capital loss to:

First previous tax year to reduce taxable income	901	m
Second previous tax year to reduce taxable income	902	n
Third previous tax year to reduce taxable income	903	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	r
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)		M
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)		180 206,731 N

Note 3: Amount l is the total of lines 330 and 335 from Schedule 3, *Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation*.

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	200	a
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205	b
Subtotal (amount a plus amount b)		A

Deduct:

Other adjustments (includes adjustments for an acquisition of control)	250	c
Section 80 – Adjustments for forgiven amounts	240	d
Subtotal (amount c plus amount d)		B
Subtotal (amount A minus amount B)		C

Add: Current-year capital loss (from the calculation on Schedule 6, *Summary of Dispositions of Capital Property*)

	210	D
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Unused non-capital losses that expired in the tax year (note 4)		e
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5)		f
Enter amount e or f, whichever is less	215	g
ABILs expired as non-capital losses: line 215 multiplied by 2.000000	220	E
Subtotal (total of amounts C to E)		F

Note
If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220 above.

Note 4: If the loss was incurred in a tax year ending after March 22, 2004, determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not used in previous years and the current year on line e.

Note 5: If the ABILs were incurred in a tax year ending after March 22, 2004, enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on line f.

Part 2 – Capital losses (continued)

Deduct: Capital losses from previous tax years applied against the current-year net capital gain (note 6) **225** _____ G
 Capital losses before any request for a carryback (amount F **minus** amount G) _____ H

Deduct – Request to carry back capital loss to (note 7):

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year	951	_____	h
Second previous tax year	952	_____	i
Third previous tax year	953	_____	j
	Subtotal (total of amounts h to j) _____		I
	Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I) 280 _____		J

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current-year tax, enter the amount from line 225 **divided** by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year _____ a
Deduct: Farm loss expired (note 8) **300** _____ b
 Farm losses at the beginning of the tax year (amount a **minus** amount b) **302** _____ A

Add:

Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation ... **305** _____ c
 Current-year farm loss (amount F in Part 1) **310** _____ d
 Subtotal (amount c **plus** amount d) _____ B
 Subtotal (amount A **plus** amount B) _____ C

Deduct:

Other adjustments (includes adjustments for an acquisition of control) **350** _____ e
 Section 80 – Adjustments for forgiven amounts **340** _____ f
 Farm losses of previous tax years applied in the current tax year **330** _____ g
 Enter amount g on line 334 of the T2 Return.
 Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (note 9) **335** _____ h
 Subtotal (total of amounts e to h) _____ D
 Farm losses before any request for a carryback (amount C **minus** amount D) _____ E

Deduct – Request to carry back farm loss to:

First previous tax year to reduce taxable income	921	_____	i
Second previous tax year to reduce taxable income	922	_____	j
Third previous tax year to reduce taxable income	923	_____	k
First previous tax year to reduce taxable dividends subject to Part IV tax	931	_____	l
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	_____	m
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	_____	n
	Subtotal (total of amounts i to n) _____		F
	Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F) 380 _____		G

Note 8: A farm loss expires as follows:
 • after **10** tax years if it arose in a tax year ending before 2006; and
 • after **20** tax years if it arose in a tax year ending after 2005.

Note 9: Amount h is the total of lines 340 and 345 from Schedule 3.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485	A
Minus the deductible farm loss:		
(amount A above _____ – \$2,500) divided by 2 = _____ a		
Amount a or \$ 15,000 (note 10), whichever is less	2,500	b
	2,500	c
Subtotal (amount b plus amount c)	2,500	B
Current-year restricted farm loss (amount A minus amount B)		C

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year		d
Deduct: Restricted farm loss expired (note 11)	400	e
Restricted farm losses at the beginning of the tax year (amount d minus amount e)	402	D
Add:		
Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	405	f
Current-year restricted farm loss (from amount C)	410	g
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .		
Subtotal (amount f plus amount g)		E
Subtotal (amount D plus amount E)		F

Deduct:

Restricted farm losses from previous tax years applied against current farming income	430	h
Enter amount h on line 333 of the T2 return.		
Section 80 – Adjustments for forgiven amounts	440	i
Other adjustments	450	j
Subtotal (total of amounts h to j)		G
Restricted farm losses before any request for a carryback (amount F minus amount G)		H

Deduct – Request to carry back restricted farm loss to:

First previous tax year to reduce farming income	941	k
Second previous tax year to reduce farming income	942	l
Third previous tax year to reduce farming income	943	m
Subtotal (total of amounts k to m)		I
Closing balance of restricted farm losses to be carried forward to future tax years (amount H minus amount I)	480	J

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Note 10: For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

Note 11: A restricted farm loss expires as follows:

- after **10** tax years if it arose in a tax year ending before 2006; and
- after **20** tax years if it arose in a tax year ending after 2005.

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at the end of the previous tax year	.....	_____	a
Deduct: Listed personal property loss expired after 7 tax years	.....	500 _____	b
Listed personal property losses at the beginning of the tax year (amount a minus amount b)	... ..	502 _____	▶ _____ A
Add: Current-year listed personal property loss (from Schedule 6)	.....	510 _____	B
		Subtotal (amount A plus amount B)	_____ C

Deduct:

Listed personal property losses from previous tax years applied against listed personal property gains	.....	530 _____	c
Enter amount c on line 655 of Schedule 6.			
Other adjustments	.....	550 _____	d
		Subtotal (amount c plus amount d)	_____ ▶ D
		Listed personal property losses remaining before any request for a carryback (amount C minus amount D)	_____ E

Deduct – Request to carry back listed personal property loss to:

First previous tax year to reduce listed personal property gains	.....	961 _____	e
Second previous tax year to reduce listed personal property gains	.....	962 _____	f
Third previous tax year to reduce listed personal property gains	.....	963 _____	g
		Subtotal (total of amounts e to g)	_____ ▶ F
		Closing balance of listed personal property losses to be carried forward to future tax years (amount E minus amount F)	580 _____ G

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current -year limited partnership losses (column 3 minus column 6)
600	602	604	606	608		620

1.

Total (enter this amount on line 222 of Schedule 1)

Limited partnership losses from previous tax years that may be applied in the current year

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
630	632	634	636	638		650

1.

Continuity of limited partnership losses that can be carried forward to future tax years

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 plus column 3 plus column 4 minus column 5)
660	662	664	670	675	680

1.

Total (enter this amount on line 335 of the T2 return)

Note

If you need more space, you can attach more schedules.

Part 8 – Election under paragraph 88(1.1)(f)

If you are making an election under paragraph 88(1.1)(f), check the box **190** Yes

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

Note

This election is only applicable for wind-ups under subsection 88(1) that are reported on Schedule 24, *First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent*.

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	120,423			N/A		120,423
1st preceding taxation year 2018-12-31	71,737	N/A		N/A			71,737
2nd preceding taxation year 2017-12-31	14,571	N/A		N/A			14,571
3rd preceding taxation year		N/A		N/A			
4th preceding taxation year		N/A		N/A			
5th preceding taxation year		N/A		N/A			
6th preceding taxation year		N/A		N/A			
7th preceding taxation year		N/A		N/A			
8th preceding taxation year		N/A		N/A			
9th preceding taxation year		N/A		N/A			
10th preceding taxation year		N/A		N/A			
11th preceding taxation year		N/A		N/A			
12th preceding taxation year		N/A		N/A			
13th preceding taxation year		N/A		N/A			
14th preceding taxation year		N/A		N/A			
15th preceding taxation year		N/A		N/A			
16th preceding taxation year		N/A		N/A			
17th preceding taxation year		N/A		N/A			
18th preceding taxation year		N/A		N/A			
19th preceding taxation year		N/A		N/A			
20th preceding taxation year		N/A		N/A			*
Total	86,308	120,423					206,731

* This balance expires this year and will not be available next year.

Shareholder Information

Corporation's name Triumph Development HK Bradford Twin Regency Inc.	Business number 70963 7128 RC0001	Tax year-end Year Month Day 2019-12-31
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- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number per shareholder (business number, social insurance number or trust number).

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number (If a corporation is not registered, enter "NR") 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	Yuerong Wang		134 381 029		100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
 - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
 - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
 - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
 - 4) a congregation or business agency to which section 143 of the federal Act applies;
 - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
 - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	7,187,005
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	
Total assets (total of lines 112 to 116)		7,187,005
Total revenue of the corporation for the tax year **	142	0
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	
Total revenue (total of lines 142 to 146)		0

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *		210	-128,324
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes	220		
Provision for deferred income taxes (debits)/cost of future income taxes	222		
Equity losses from corporations	224		
Financial statement loss from partnerships and joint ventures	226		
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures **	228		
Total patronage dividends received, not already included in net income/loss	232		
281	282		
283	284		
	Subtotal	▶	A
Deduct (to the extent reflected in income/loss):			
Provision for recovery of current income taxes/benefit of current income taxes	320		
Provision for deferred income taxes (credits)/benefit of future income taxes	322		
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures	326		
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330		
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift	340		
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342		
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348		
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures **	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3	334		
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336		
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338		
381	382		
383	384		
385	386		
387	388		
389	390		
	Subtotal	▶	B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)		490	-128,324

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.
If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note
In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:
– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.
These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

*** Rules for net income/loss**
– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIF1 (Schedule 125) on line 210.
- ** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- *** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- **** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- ***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	.....	515	_____
Deduct:			
CMT loss available (amount R from Part 7)	.....	93,804	
Minus: Adjustment for an acquisition of control *	.....	518	_____
Adjusted CMT loss available	.....	93,804	93,804 C
Net income subject to CMT calculation (if negative, enter "0")	.....	520	_____

Amount from line 520	x	Number of days in the tax year before July 1, 2010	x	4 % =	1	
		Number of days in the tax year	365			
Amount from line 520	x	Number of days in the tax year after June 30, 2010	365	x	2.7 % =	2
		Number of days in the tax year	365			
Subtotal (amount 1 plus amount 2)					3	

Gross CMT: amount on line 3 above x OAF **	.....	**540	_____
Deduct:			
Foreign tax credit for CMT purposes ***	.....	**550	_____
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0")	.....		D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	.....	
Net CMT payable (if negative, enter "0")	.....		E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

**** Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

$$\frac{\text{Ontario taxable income ****}}{\text{Taxable income *****}} = \underline{\hspace{2cm}}$$

Ontario allocation factor 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were \$1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *	G	
Deduct:		
CMT credit expired *	600	
CMT credit carryforward at the beginning of the current tax year * (see note below)	620	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	650	
CMT credit available for the tax year (amount on line 620 plus amount on line 650)		H
Deduct:		
CMT credit deducted in the current tax year (amount P from Part 5)		I
	Subtotal (amount H minus amount I)	J
Add:		
Net CMT payable (amount E from Part 3)		
SAT payable (amount O from Part 6 of Schedule 512)		
	Subtotal	K
CMT credit carryforward at the end of the tax year (amount J plus amount K)	670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
 – do not enter an amount on line G or line 600;
 – for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.
 For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)		M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	1	
For a corporation that is not a life insurance corporation:		
CMT after foreign tax credit deduction (amount D from Part 3)	2	
For a life insurance corporation:		
Gross CMT (line 540 from Part 3)	3	
Gross SAT (line 460 from Part 6 of Schedule 512)	4	
The greater of amounts 3 and 4	5	
	Deduct: line 2 or line 5, whichever applies:	6
	Subtotal (if negative, enter "0")	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		
Deduct:		
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)		
	Subtotal (if negative, enter "0")	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)		P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes 2 No

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year *	93,804	Q	
Deduct:			
CMT loss expired *	700		
CMT loss carryforward at the beginning of the tax year * (see note below)	93,804	720	93,804
Add:			
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	750		
CMT loss available (line 720 plus line 750)			93,804
Deduct:			
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)			93,804
		Subtotal (if negative, enter "0")	93,804
Add:			
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if negative) (enter as a positive amount)	760		128,324
CMT loss carryforward balance at the end of the tax year (amount S plus line 760)	770		222,128
			T

- * For the first harmonized T2 return filed with a tax year that includes days in 2009:
 - do not enter an amount on line Q or line 700;
 - for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Triumph Development HK Bradford Twin Regency Inc.	70963 7128 RC0001	2019-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit www.ServiceOntario.ca for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)		
Triumph Development HK Bradford Twin Regency Inc.		
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent	120 Ontario Corporation No.
Ontario	Year Month Day 2017-06-08	10271403

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)			
210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number	
350	Highway 7	310	
240 Additional address information if applicable (line 220 must be completed first)			
250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
RICHMOND HILL	ON	CA	L4B 3N2

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit www.ServiceOntario.ca.

- 300** 1 If there have been no changes, enter 1 in this box and then go to "Part 4 – Certification."
 2 If there are changes, enter 2 in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Wang	451 Yuerong
Last name	First name
454 _____,	
Middle name(s)	

- 460** 1 Please enter one of the following numbers in this box for the above-named person: 1 for director, 2 for officer, or 3 for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter 1 or 2.

Note: Sections 13 and 14 of the Ontario *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500	<input type="checkbox"/>	Please enter one of the following numbers in this box:	1 - Show no mailing address on the MGS public record.
			2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
			3 - The corporation's complete mailing address is as follows:
510	Care of (if applicable)		
520	Street number	530 Street name/Rural route/Lot and Concession number	540 Suite number
550	Additional address information if applicable (line 530 must be completed first)		
560	Municipality (e.g., city, town)	570 Province/state	580 Country
			590 Postal/zip code

Part 6 – Language of preference

600	<input type="checkbox"/>	Indicate your language of preference by entering 1 for English or 2 for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.
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Corporate Taxpayer Summary

Corporate information

Corporation's name Triumph Development HK Bradford Twin Regency Inc.
 Taxation Year 2019-01-01 to 2019-12-31
 Jurisdiction Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Corporation is associated N
 Corporation is related N
 Number of associated corporations _____
 Type of corporation Canadian-Controlled Private Corporation
 Total amount due (refund) federal and provincial* _____

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.

Summary of federal information

Net income -120,423
 Taxable income _____
 Donations _____
 Calculation of income from an active business carried on in Canada _____
 Dividends paid _____
 Dividends paid – Regular _____
 Dividends paid – Eligible _____
 Balance of the low rate income pool at the end of the previous year _____
 Balance of the low rate income pool at the end of the year _____
 Balance of the general rate income pool at the end of the previous year _____
 Balance of the general rate income pool at the end of the year _____
 Part I tax (base amount) _____

Summary of federal carryforward/carryback information

Carryforward balances
 Non-capital losses 206,731

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	-120,423		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***			
Instalments and refundable credits			
Balance due/Refund (-)			
Logging tax payable (COZ-1179)			
Tax payable	N/A		N/A

* For Québec, this includes special taxes.
 ** For Québec, this includes compensation tax and registration fee.
 *** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary of provincial carryforward amounts

Other carryforward amounts

Ontario

Corporate minimum tax loss that can be carried forward over 20 years – Schedule 510	222,128
---	---------

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Triumph Development HK Bradford Twin Regency Inc.				
Total				

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form CO-1029.8.33.TE	Paid-up capital used to calculate the \$1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
Total				

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

Five-Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Net income	-120,423	-71,737	-14,571		
Taxable income					
Active business income					
Dividends paid					
Dividends paid – Regular					
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year					
GRIP – end of the year					
Donations					
Balance due/refund (-)					
Line 996 – Amended tax return	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Loss carrybacks requested in prior years to reduce taxable income					
Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Taxable income before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A			
Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)					
Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Adjusted taxable income before current year loss carrybacks*	N/A				N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A				N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

** The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 1/3 for dividends received after December 31, 2015.

*** The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

Federal taxes

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Part I					
Part IV					
Part III.1					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Credits against part I tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit					
Abatement/other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Refunds/credits

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
ITC refund					
Dividend refund					
– Eligible dividends					
– Non-eligible dividends					
Instalments					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Ontario

Taxation year end	2019-12-31	2018-12-31	2017-12-31		
Net income	-120,423	-71,737	-14,571		
Taxable income					
% Allocation	100.00	100.00	100.00		
Attributed taxable income					
Surtax					
Income tax payable before deduction					
Income tax deductions /credits					
Net income tax payable					
Taxable capital					
Capital tax payable					
Total tax payable*					
Instalments and refundable credits					
Balance due/refund**					

* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

APPENDIX G

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

yyyy mm dd Page 1 of 1

Properties

PIN 58041 - 0138 LT
 Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
 Address BRADFORD

Consideration

Consideration \$1,870,538.95

Claimant(s)

Name 10853828 CANADA INC.
 Address for Service c/o Goldman Sloan Nash & Haber LLP
 Barristers & Solicitors
 1600-480 University Avenue
 Toronto, ON M5G 1V2

Attention: Paul Hancock
 Tel.: 416-597-7881; Fax: 416-597-3370
 Email: hancock@gsnh.com

I, Mohammad Mehdi Mehdi Haj-Shaifiei, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Mohammad Mehdi Mehdi Haj-Shaifiei, have the authority to bind the corporation.

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

Statements

Name and Address of Owner Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9
 Name and address of person to whom lien claimant supplied services or materials Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9 Time within which services or materials were supplied from 2017/06/08 to 2021/04/06
 Short description of services or materials that have been supplied Provided project management services to develop 10 acre subject land including obtaining all approvals and engaging consultants and related parties to prepare drawings and reports Contract price or subcontract price \$2,613,290.00 inclusive of HST Amount claimed as owing in respect of services or materials that have been supplied \$1,870,538.95 inclusive of HST

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Paul Leigh Hancock 480 University Ave, # 1600 acting for Signed 2021 04 06
 Toronto Applicant(s)
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

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

Submitted By

GOLDMAN SLOAN NASH & HABER LLP 480 University Ave, # 1600 2021 04 06
 Toronto
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

Fees/Taxes/Payment

Statutory Registration Fee \$65.30

Total Paid \$65.30

File Number

Claimant Client File Number : 0093020001

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

yyyy mm dd Page 1 of 1

Properties

PIN 58041 - 0138 LT
Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
Address BRADFORD

Consideration

Consideration \$1,404,036.78

Claimant(s)

Name DELBROOK TRIUMPHANT BUILDERS INC.
Address for Service c/o Goldman Sloan Nash & Haber LLP
 Barristers & Solicitors
 1600-480 University Avenue
 Toronto, ON M5G 1V2

Attention: Paul Hancock
 Tel: 416-597-7881; Fax: 416-597-3370
 Email: hancock@gsnh.com

I, Mehdi Shaifiei, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Mehdi Shaifiei, have the authority to bind the corporation.

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

Statements

Name and Address of Owner Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9
 Name and address of person to whom lien claimant supplied services or materials Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9 Time within which services or materials were supplied from 2020/03/03 to 2021/04/06
 Short description of services or materials that have been supplied Drawings, construction management services, and labour and material for 239 condominium unit project Contract price or subcontract price \$3,827,113.00 inclusive of HST Amount claimed as owing in respect of services or materials that have been supplied \$1,404,036.78 inclusive of HST

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Paul Leigh Hancock 480 University Ave, # 1600 acting for Signed 2021 04 06
 Toronto Applicant(s)
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

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

Submitted By

GOLDMAN SLOAN NASH & HABER LLP 480 University Ave, # 1600 2021 04 06
 Toronto
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

Fees/Taxes/Payment

Statutory Registration Fee \$65.30
Total Paid \$65.30

File Number

Claimant Client File Number : 0093020001

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

yyyy mm dd Page 1 of 1

Properties

PIN 58041 - 0138 LT
 Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
 Address BRADFORD

Consideration

Consideration \$16,385.15

Claimant(s)

Name GERRITS ENGINEERING LIMITED
 Address for Service c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, ON L4N 1W1

I, Joshua D. Small, Vice President, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Joshua D. Small, Vice President, have the authority to bind the corporation.

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

Statements

Name and Address of Owner Triumph Development HK Bradford Twin Regency Inc., 2362 8th Line, Bradford, ON L3Z 3G3 and A10-3000 Hwy 7 E, Markham, ON L3R6E1 Name and address of person to whom lien claimant supplied services or materials Triumph Development HK Bradford Twin Regency Inc. and/or Delbrook Triumphant Builders Inc. and/or Delbrook Group Time within which services or materials were supplied from 2020/07/29 to 2021/03/16 Short description of services or materials that have been supplied To provide mechanical and electrical engineering services Contract price or subcontract price \$109,610.00 (incl. of HST) Amount claimed as owing in respect of services or materials that have been supplied \$16,385.15 (incl. of HST)

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien Schedule: Address of person to whom lien claimant supplied services: 2362 8th Line, Bradford, ON L3Z 3G3 and A10-3000 Hwy 7 E, Markham, ON L3R 6E1 and 310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

Signed By

Eric Onil Gionet 10 Checkley Street acting for Signed 2021 04 29
 Barrie Applicant(s)
 L4N 1W1

Tel 705-792-7963

Fax 705-792-7964

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

Submitted By

DOOLEY LUCENTI LLP 10 Checkley Street 2021 04 30
 Barrie
 L4N 1W1

Tel 705-792-7963

Fax 705-792-7964

Fees/Taxes/Payment

Statutory Registration Fee \$65.30

Total Paid \$65.30

File Number

Claimant Client File Number : 89129



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Electronically issued : 20-May-2021
Délivré par voie électronique : 20-May-2021
Barrie

ARTICLE 1 OF the *Construction Act*, R.S.O. 1990, c. C.30

B E T W E E N:

10853828 CANADA INC.

Plaintiff

and

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

~~If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.~~

~~Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.~~

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date May 20, 2021 Issued by _____
Local Registrar

Address of Superior Court of Justice
court office: 75 Mulcaster Street
Barrie ON L4M 3P2

TO: Triumph Development HK Bradford Twin Regency Inc.
A10-3000 Highway 7
Markham ON L3R 4X9

AND TO: Triumph Development HK Bradford Twin Regency Inc.
2 Sunrise Ridge Trail
Stouffville, ON L4A 0C9

AND TO: Prudent Excellence Mortgage Investment Corporation
350 Highway 7 East, Suite 310
Richmond Hill ON L4B 3N2

CLAIM

1. The plaintiff 10853828 Canada Inc. ("10853828 Canada") claims as against all of the defendants:

- (a) Payment of the sum of \$1,870,538.95;
- (b) a declaration and judgment that 10853828 Canada is entitled to a construction lien against all of the estate, title, and interest of the defendants in the property hereinafter described against which the construction lien in the amount of \$1,870,538.95, inclusive of all applicable taxes, which was registered in respect of the improvements to which 10853828 Canada supplied its labour, services and materials as hereinafter set forth in the attached Schedule "A";
- (c) that upon default of payment of the sum of \$1,870,538.95 plus costs and interests, the estate and interest of the defendants in the lands and premises to which the lien hereafter described attaches, and which lands and premises are described in the claim for lien of the plaintiff in the attached Schedule "A" (the "Lands") be sold and the proceeds applied toward payment of 10853828 Canada's claim pursuant to the provisions of the *Construction Act*, R.S.O. 1990 c. C.30 as amended (the "CA");
- (d) declaration that the plaintiff's lien referred to herein has full priority over the mortgage (charge) in favour of the defendant Prudent Excellence Mortgage Investment Corporation, or alternatively, priority over the said mortgage to the extent that any portion of said mortgage advanced by said defendant exceeded the actual value of the lands and premises which are the subject matter of this

-4-

action at the time the first lien arose, or, in the further alternative, priority over said mortgages to the extent of any unadvanced portions, or, in the further alternative, priority to the extent that there are deficiencies in the holdback required to be retained pursuant to the provisions of the CA;

- (e) a declaration that Triumph Development HK Bradford Twin Regency Inc. is an owner within the meaning of the CA;
- (f) payment of costs on a substantial indemnity scale together with any applicable taxes which may be payable in any amount pursuant to the *Excise Tax Act*, R.S.C. 1980, as amended, and any other legislation enacted by the Government of Canada;
- (g) prejudgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (h) postjudgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (i) a charge upon any security posted in court to the credit of this action pursuant to Section 44(7) of the CA, as amended;
- (j) for purposes of the aforesaid and for all other purposes, that all proper directions be given, inquiries made and accounts taken; and
- (k) such further and other relief this Honourable Court may deem just.

THE PARTIES

2. 10853828 Canada is a corporation duly incorporated pursuant to the laws of the Province of Ontario, carrying on business, inter alia, as a project manager with a registered office in the Town of Richmond Hill, in the Regional Municipality of York.

3. The defendant Triumph Development HK Bradford Twin Regency Inc. ("Triumph") is a corporation duly incorporated pursuant to the laws of Canada, and is the registered owner and a statutory owner of the lands and premises described in the Claim for Lien pursuant to Section 1(1) of the CA.

4. The defendant Prudent Excellence Mortgage Investment Corporation ("Prudent") is a private lender of monies and at all material times was a mortgagee/chargee of the Lands pursuant to a first charge registered as Instrument No. SC1760648 on March 5, 2021 in the amount of \$800,000.00 in the Land Registry Office of the Land Titles Division of Simcoe (No. 51) (hereinafter the "Prudent Mortgage").

5. 10853828 Canada states that the Prudent Mortgage was given by Prudent for the purpose of securing the financing of the construction of the improvement and therefore 10853828 Canada's lien referred to herein has full priority over the mortgage to the extent of any deficiencies in the holdbacks that are required to be retained for its benefit by the defendants pursuant to the CA. In the alternative, 10853828 Canada claims that its lien has priority over the mortgage to the extent that any portion of the mortgage advanced exceeded the actual value of the Lands at the time when the first lien arose with respect to the improvement. In the further alternative, 10853828 Canada claims that its lien has priority over the mortgage to the extent of any advances made while a lien was preserved or perfected

against the Lands and/or after Prudent had received written notice of a lien. In the further alternative, 10853828 Canada claims that its lien has priority over the mortgage to the extent of any unadvanced portions thereof. 10853828 Canada pleads and relies upon section 78 of the CA.

THE CONTRACT

6. 10853828 Canada states that on or about June 8, 2017, Montanaro Project Management Professionals Inc. (“Montanaro”) entered into a contract with the owner, Triumph (hereinafter the “Contract”) for Montanaro to provide all plans, permits, studies, project management services, and engage consultants and related parties to prepare drawings and reports for the construction of a 239 condominium unit project (hereinafter the “Project”).

7. In or about June 2019, with the knowledge and consent of Triumph, Montanaro assigned the Contract to 10853828 Canada and 10853828 began to perform Montanaro’s work in accordance with the Contract.

8. Pursuant to the Contract, 10853828 Canada supplied material and services to the said Project at the request of Triumph and was owed the sum of \$1,870,538.95, inclusive of HST, for said material and services.

9. 10853828 Canada last supplied material and services to the said improvement on or about April 6, 2021.

10. By reason of supplying material and services as hereinbefore set out, 10853828 Canada became and is entitled to a lien against the lands and premises more particularly

described in the Claim for Lien hereinafter set forth, in the sum of \$1,870,538.95, inclusive of HST, together with interest and costs of this action pursuant to the relevant provisions of the CA.

11. On or about April 6, 2021, 10853828 Canada, in accordance with the CA, caused its Claim for Lien to be registered in the Registry Office for the Land Titles Division of Simcoe (No. 51) as Instrument No. SC1768868, which Claim for Lien was in the words and figures set out in Schedule "A" attached hereto to this Statement of Claim.

12. The improvement referred to herein, which is more particularly described in the said Claim for Lien, is the lands upon which 10853828 Canada's services were supplied and installed.

13. 10853828 Canada states that Triumph, pursuant to its statutory obligations, was required to maintain not only the statutory holdback required to be maintained pursuant to the CA, but in addition thereto, the amount of 10853828 Canada's Claim for Lien in the sum of \$1,870,538.95, inclusive of HST. 10853828 Canada therefore states that it is entitled to be paid by Triumph the said sum due and owing to it as hereinbefore set out. 10853828 Canada pleads and relies upon section 24 of the CA.

14. 10853828 Canada states that by reason of it supplying the said labour and materials it agreed to supply, as hereinbefore described, that it enhanced the value of the lands and premises described in the Claim for Lien and that Triumph has received the benefit of same and have been unjustly enriched in the amount of \$1,870,538.95 at the expense of and to the detriment of 10853828 Canada. 10853828 Canada therefore pleads and relies upon the *doctrines of unjust enrichment and quantum meruit*.

-8-

15. To date, Triumph has refused and/or neglected to pay 10853828 Canada all amounts due to their breach of the Contract.

16. 10853828 Canada proposes that this action be tried at the City of Barrie, in the County of Simcoe.

Dated: May 20, 2021

GOLDMAN SLOAN NASH & HABER LLP

Barristers & Solicitors
480 University Ave, Suite 1600
Toronto ON M5G 1V2

Paul Hancock - LSO# 56791T

hancock@gsnh.com
Tel: 416-597-7881
Fax: 416-597-3370

Lawyers for the Plaintiff

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

yyyy mm dd Page 1 of 1

Properties

PIN 58041 - 0138 LT
Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
Address BRADFORD

Consideration

Consideration \$1,870,538.95

Claimant(s)

Name 10853828 CANADA INC.
Address for Service c/o Goldman Sloan Nash & Haber LLP
 Barristers & Solicitors
 1600-480 University Avenue
 Toronto, ON M5G 1V2

 Attention: Paul Hancock
 Tel.: 416-597-7881; Fax: 416-597-3370
 Email: hancock@gsnh.com

I, Mohammad Mehdi Mehdi Haj-Shaifiei, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Mohammad Mehdi Mehdi Haj-Shaifiei, have the authority to bind the corporation.

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

Statements

Name and Address of Owner Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9
 Name and address of person to whom lien claimant supplied services or materials Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9 Time within which services or materials were supplied from 2017/06/08 to 2021/04/06
 Short description of services or materials that have been supplied Provided project management services to develop 10 acre subject land including obtaining all approvals and engaging consultants and related parties to prepare drawings and reports Contract price or subcontract price \$2,613,290.00 inclusive of HST Amount claimed as owing in respect of services or materials that have been supplied \$1,870,538.95 inclusive of HST

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Paul Leigh Hancock 480 University Ave, # 1600 acting for Signed 2021 04 06
 Toronto Applicant(s)
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

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

Submitted By

GOLDMAN SLOAN NASH & HABER LLP 480 University Ave, # 1600 2021 04 06
 Toronto
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

Fees/Taxes/Payment

Statutory Registration Fee \$65.30

Total Paid \$65.30

File Number

Claimant Client File Number : 0093020001

-and- TRIUMPH DEVELOPMENT I HK BRAUFUKU I WIN KEUENLY
INC. et al.

Defendants
Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF the *Construction Act*, R.S.O. 1990, c. C.30
PROCEEDING COMMENCED AT BARRIE

STATEMENT OF CLAIM

GOLDMAN SLOAN NASH & HABER LLP

Barristers & Solicitors
480 University Ave, Suite 1600
Toronto ON M5G 1V2
Tel: 416-597-9922
Fax: 416-597-3370

Paul Hancock - LSO# 56791T

Tel: 416-597-7881
hancock@gsnh.com

Lawyers for the Plaintiff



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Electronically issued : 20-May-2021
Délivré par voie électronique : 20-May-2021
Barrie

ARTICLE 1 OF the *Construction Act*, R.S.O. 1990, c. C.30

B E T W E E N:

DELBROOK TRIUMPHANT BUILDERS INC.

Plaintiff

and

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANT

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

~~If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.~~

~~Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.~~

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date May 20, 2021 Issued by _____
Local Registrar

Address of Superior Court of Justice
court office: 75 Mulcaster Street
Barrie ON L4M 3P2

TO: Triumph Development HK Bradford Twin Regency Inc.
A10-3000 Highway 7
Markham ON L3R 4X9

AND TO: Triumph Development HK Bradford Twin Regency Inc.
2 Sunrise Ridge Trail
Stouffville, ON L4A 0C9

AND TO: Prudent Excellence Mortgage Investment Corporation
350 Highway 7 East, Suite 310
Richmond Hill ON L4B 3N2

CLAIM

1. The plaintiff Delbrook Triumphant Builders Inc. ("Delbrook") claims as against all of the defendants:

- (a) Payment of the sum of \$1,404,036.78;
- (b) a declaration and judgment that Delbrook is entitled to a construction lien against all of the estate, title, and interest of the defendants in the property hereinafter described against which the construction lien in the amount of \$1,404,036.78, inclusive of all applicable taxes, which was registered in respect of the improvements to which Delbrook supplied its labour, services and materials as hereinafter set forth in the attached Schedule "A";
- (c) that upon default of payment of the sum of \$1,404,036.78 plus costs and interests, the estate and interest of the defendants in the lands and premises to which the lien hereafter described attaches, and which lands and premises are described in the claim for lien of the plaintiff in the attached Schedule "A" (the "Lands") be sold and the proceeds applied toward payment of Delbrook's claim pursuant to the provisions of the *Construction Act*, R.S.O. 1990 c. C.30 as amended (the "CA");
- (d) declaration that the plaintiff's lien referred to herein has full priority over the mortgage (charge) in favour of the defendant Prudent Excellence Mortgage Investment Corporation, or alternatively, priority over the said mortgage to the extent that any portion of said mortgage advanced by said defendant exceeded the actual value of the lands and premises which are the subject matter of this

action at the time the first lien arose, or, in the further alternative, priority over said mortgages to the extent of any unadvanced portions, or, in the further alternative, priority to the extent that there are deficiencies in the holdback required to be retained pursuant to the provisions of the *CLA*;

- (e) a declaration that Triumph Development HK Bradford Twin Regency Inc. is an owner within the meaning of the *CA*;
- (f) payment of costs on a substantial indemnity scale together with any applicable taxes which may be payable in any amount pursuant to the *Excise Tax Act*, R.S.C. 1980, as amended, and any other legislation enacted by the Government of Canada;
- (g) Payment of interest at the contractual rate of 2% per annum above the prime rate, compounded monthly, as quoted by TD Bank of Canada, for the first sixty (60) days of non-payment on the total amount found due and owing by the defendants;
- (h) Payment of interest at the contractual rate of 4% per annum above the prime rate, compounded monthly, as quoted by TD Bank of Canada, after the first sixty (60) days of non-payment on the total amount found due and owing by the defendants;
- (i) In the alternative to paragraphs 1(g) and 1(h) above, prejudgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

-5-

- (j) In the alternative to paragraph 1 (h) above, postjudgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (k) A charge upon any security posted in court to the credit of this action pursuant to Section 44(7) of the CA, as amended;
- (l) for purposes of the aforesaid and for all other purposes, that all proper directions be given, inquiries made and accounts taken; and
- (m) such further and other relief this Honourable Court may deem just.

THE PARTIES

2. Delbrook is a corporation duly incorporated pursuant to the laws of the Province of Ontario, carrying on business, inter alia, as a Construction Manager with a registered office in the Town of Richmond Hill, in the Regional Municipality of York.

3. The defendant Triumph Development HK Bradford Twin Regency Inc. ("Triumph") is a corporation duly incorporated pursuant to the laws of Canada, and is the registered owner and a statutory owner of the lands and premises described in the Claim for Lien pursuant to Section 1(1) of the CA.

4. The defendant Prudent Excellence Mortgage Investment Corporation ("Prudent") is a private lender of monies and at all material times was a mortgagee/chargee of the Lands pursuant to a first charge registered as Instrument No. SC1760648 on March 5, 2021 in the amount of \$800,000.00 in the Land Registry Office of the Land Titles Division of Simcoe (No. 51) (hereinafter the "Prudent Mortgage").

5. Delbrook states that the Prudent Mortgage was given by Prudent for the purpose of securing the financing of the construction of the improvement and therefore Delbrook's lien referred to herein has full priority over the mortgage to the extent of any deficiencies in the holdbacks that are required to be retained for its benefit by the defendants pursuant to the CA. In the alternative, Delbrook claims that its lien has priority over the mortgage to the extent that any portion of the mortgage advanced exceeded the actual value of the Lands at the time when the first lien arose with respect to the improvement. In the further alternative, Delbrook claims that its lien has priority over the mortgage to the extent of any advances made while a lien was preserved or perfected against the Lands and/or after Prudent had received written notice of a lien. In the further alternative, Delbrook claims that its lien has priority over the mortgage to the extent of any unadvanced portions thereof. Delbrook pleads and relies upon section 78 of the CA.

THE CONTRACT

6. Delbrook states that on or about March 3, 2020, Delbrook entered into a CCDC 5B construction management contract with the owner, Triumph, (hereinafter the "Contract") for Delbrook to provide all drawings, construction management services, and labour and material for the construction of a 239 condominium unit project (hereinafter the "Project").

7. Pursuant to the Contract, Delbrook supplied material and services to the said Project at the request of Triumph and is owed the sum of \$1,404,036.78, inclusive of HST, for said material and services.

8. In that regard, Delbrook was responsible for and obtained registration of the Project with the Tarion Warranty Corporation.

9. Delbrook last supplied material and services to the said improvement on or about April 6, 2021.

10. By reason of supplying material and services as hereinbefore set out, Delbrook became and is entitled to a lien against the lands and premises more particularly described in the Claim for Lien hereinafter set forth, in the sum of \$1,404,036.78, inclusive of HST, together with interest and costs of this action pursuant to the relevant provisions of the CA.

11. On or about April 6, 2021, Delbrook, in accordance with the CA, caused its Claim for Lien to be registered in the Registry Office for the Land Titles Division of Simcoe (No. 51) as Instrument No. SC1768859, which Claim for Lien was in the words and figures set out in Schedule "A" attached hereto to this Statement of Claim.

12. The improvement referred to herein, which is more particularly described in the said Claim for Lien, is the lands upon which Delbrook's services were supplied and installed.

13. Delbrook states that Triumph, pursuant to its statutory obligations, was required to maintain not only the statutory holdback required to be maintained pursuant to the CA, but in addition thereto, the amount of Delbrook's Claim for Lien in the sum of \$1,404,036.78, inclusive of HST. Delbrook therefore states that it is entitled to be paid by Triumph the said sum due and owing to it as hereinbefore set out. Delbrook pleads and relies upon section 24 of the CA.

14. Delbrook states that by reason of it supplying the said labour and materials it agreed to supply, as hereinbefore described, that it enhanced the value of the lands and premises described in the Claim for Lien and that Triumph has received the benefit of same and have been unjustly enriched in the amount of \$1,404,036.78 at the expense of and to the

detriment of Delbrook. Delbrook therefore pleads and relies upon the *doctrines of unjust enrichment and quantum meruit*.

15. To date, Triumph has refused and/or neglected to pay Delbrook all amounts due to their breach of the Contract.

16. Delbrook proposes that this action be tried at the City of Barrie, in the County of Simcoe.

Dated: May 20, 2021

GOLDMAN SLOAN NASH & HABER LLP

Barristers & Solicitors
480 University Ave, Suite 1600
Toronto ON M5G 1V2

Paul Hancock - LSO# 56791T

hancock@gsnh.com

Tel: 416-597-7881

Fax: 416-597-3370

Lawyers for the Plaintiff

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

yyyy mm dd Page 1 of 1

Properties

PIN 58041 - 0138 LT
Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
Address BRADFORD

Consideration

Consideration \$1,404,036.78

Claimant(s)

Name DELBROOK TRIUMPHANT BUILDERS INC.
Address for Service c/o Goldman Sloan Nash & Haber LLP
 Barristers & Solicitors
 1600-480 University Avenue
 Toronto, ON M5G 1V2

Attention: Paul Hancock
 Tel: 416-597-7881; Fax: 416-597-3370
 Email: hancock@gsnh.com

I, Mehdi Shaifiei, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Mehdi Shaifiei, have the authority to bind the corporation.

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

Statements

Name and Address of Owner Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9
 Name and address of person to whom lien claimant supplied services or materials Triumph Development HK Bradford Twin Regency Inc., A10-3000 Highway 7, Markham, ON L3R 4X9 Time within which services or materials were supplied from 2020/03/03 to 2021/04/06
 Short description of services or materials that have been supplied Drawings, construction management services, and labour and material for 239 condominium unit project Contract price or subcontract price \$3,827,113.00 inclusive of HST Amount claimed as owing in respect of services or materials that have been supplied \$1,404,036.78 inclusive of HST

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Paul Leigh Hancock 480 University Ave, # 1600 acting for Signed 2021 04 06
 Toronto Applicant(s)
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

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

Submitted By

GOLDMAN SLOAN NASH & HABER LLP 480 University Ave, # 1600 2021 04 06
 Toronto
 M5G 1V2

Tel 416-597-9922

Fax 416-597-3370

Fees/Taxes/Payment

Statutory Registration Fee \$65.30
Total Paid \$65.30

File Number

Claimant Client File Number : 0093020001

145 Plaintiff

Defendants
Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF the Construction Act, R.S.O. 1990, c. C.30
PROCEEDING COMMENCED AT BARRIE

STATEMENT OF CLAIM

GOLDMAN SLOAN NASH & HABER LLP

Barristers & Solicitors
480 University Ave, Suite 1600
Toronto ON M5G 1V2
Tel: 416-597-9922
Fax: 416-597-3370

Paul Hancock - LSO# 56791T

Tel: 416-597-7881
hancock@gsnh.com

Lawyers for the Plaintiff



Electronically issued : 08-Jun-2021
Délivré par voie électronique
Barrie

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

MATTER OF *the Construction Act, R.S.O. 1990, c. C.30*

BETWEEN:

GERRITS ENGINEERING LIMITED

Plaintiff

and

**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.,
DELBROOK TRIUMPHANT BUILDERS INC., DELBROOK GROUP,
PETER VANDER KOOIJ, LENI VANDER KOOIJ and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANT(s)

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

~~If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.~~

~~Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.~~

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU

4

WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

~~TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.~~

Date _____

Issued by _____

Local Registrar

Address of court office: 75 Mulcaster Street
Barrie, ON L4M 3P2

TO: **TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.**
2362 8th Line
Bradford, ON L3Z 3G3
-and-
A10-3000 Highway 7 E
Markham, ON L3R 6E1
-and/or-
310-350 Highway 7 East
Richmond Hill, ON L4B 3N2

AND TO: **DELBROOK TRIUMPHANT BUILDERS INC.**
2362 8th Line
Bradford, ON L3Z 3G3
-and-
A10-3000 Highway 7 E
Markham, ON L3R 6E1
-and/or-
310-350 Highway 7 East
Richmond Hill, ON L4B 3N2

AND TO: **DELBROOK GROUP**
2362 8th Line
Bradford, ON L3Z 3G3
-and-
A10-3000 Highway 7 E
Markham, ON L3R 6E1
-and/or-
310-350 Highway 7 East
Richmond Hill, ON L4B 3N2

AND TO: **PETER VANDER KOOLJ**
Box 760
Bradford, ON L3Z 2B3

AND TO: **LENI VANDER KOOLJ**
Box 760
Bradford, ON L3Z 2B3

AND TO: **PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION**
350 Hwy 7 East, Suite 310
Richmond Hill, ON L4B 3N2

CLAIM

1. The Plaintiff claims from the Defendants:

- (a) payment of the sum of \$16,385.15;
- (b) prejudgment interest on the amount awarded at the rate of 1.5 per month (18% per annum) from April 30, 2021 to the date of Judgment, or, in the alternative, prejudgment interest pursuant to the *Courts of Justice Act*, R.S.O. 1990, c.C.43;
- (c) postjudgment interest at the rate of 1.5% per month (18% per annum) or, in the alternative, pursuant to the *Courts of Justice Act*, R.S.O. 1990, c.C.43;
- (d) its costs of this action on a substantial indemnity basis;
- (e) a declaration that the Plaintiff is entitled to a lien;
- (f) a charge on any and all holdbacks required to be retained pursuant to the *Construction Lien Act*, R.S.O. 1990 c. C-30;
- (g) full priority over the mortgages of the defendants, Peter Vander Kooij, Leni Vander Kooij and Prudent Excellence Mortgage Investment Corporation, referred to herein; in the alternative, priority over the said mortgages to the extent that any portion of the mortgages advanced exceeded the actual value of the premises at the time when the first lien arose; in the alternative, priority over the said mortgages to the extent of any unadvanced portion thereof at the time when the first lien arose; or in the further alternative priority over the said mortgages to the extent of any advances made by the mortgagees or any of them after notice of lien was received; or in the further alternative, priority over the said mortgages to the extent of any deficiencies in the holdback required to be retained pursuant to the *Construction Act*, R.S.O. 1990, c. C. 30;
- (h) that in default of payment of the sum of \$16,385.15 and interest and costs by the Defendants, all the estate and interest of the said Defendants in the Subject Lands hereinafter set out be sold and the proceeds applied in and towards payment of the Plaintiff's claim, costs and interest pursuant to the *Construction Act*, R.S.O. 1990, c. C. 30;
- (i) for the purposes aforesaid, and for all other purposes, that all proper directions be given, inquiries made and accounts taken; and
- (j) such further and other relief as the Honourable Court may deem fit and just.

The Parties

2. The plaintiff, Gerrits Engineering Limited (“**Gerrits**”), is a corporation under the laws of Ontario, having its registered office in the City of Barrie and who carries on business providing mechanical and electrical engineering and related services.
3. The defendant, Triumph Development HK Bradford Twin Regency Inc. (“**Triumph Development**”), is a corporation incorporated under the laws of the Province of Ontario, having its registered office in Richmond Hill, Ontario. Triumph Development is the registered Owner of the lands and premises identified by P.L.N. 58041-0138 (LT) as more fully and legally described in the Construction Lien attached hereto as Schedule “A” (the “**Subject Lands**”).
4. The defendant, Delbrook Triumphant Builders Inc. (“**Delbrook Triumphant**”), is a corporation incorporated under the laws of Canada, having its registered office in Richmond Hill, Ontario.
5. The defendants, Triumph Development, Delbrook Triumphant and Delbrook Group are hereinafter collectively referred to as “**Triumph Development**” or the “**Owner**”.
6. The defendants, Peter Vander Kooij and Leni Vander Kooij, are mortgagees with respect to the Subject Lands. On June 19, 2017 a mortgage for the principal sum of \$2,795,000.00 was registered against the Subject Lands as Instrument No. SC1421256 in favour of Peter Vander Kooij and Leni Vander Kooij (the “**Vander Kooij Mortgage**”).
7. The defendant, Prudent Excellence Mortgage Investment Corporation, is a mortgagee with respect to the Subject Lands. On March 5, 2021 a mortgage for the principal sum of \$800,000.00 was registered against the Subject Lands as Instrument No. SC1760648 in favour of Prudent Mortgage

Investment Corporation (the "**Prudent Mortgage**").

The Agreement and Indebtedness

8. On or about July 29, 2020 Triumph Development entered into an agreement (the "**Agreement**") with Gerrits whereby Gerrits agreed to provide mechanical and electrical engineering services to Triumph Development with respect to the improvement on the Subject Lands.

9. From July 29, 2020 to March 16, 2021, Gerrits provided its services (the "Goods") to the Subject Lands pursuant to its Agreement with Triumph Development. Gerrits has honoured and complied with the terms and conditions of its Agreement with Triumph Development.

10. The amount due and owing to Gerrits under its Agreement with Triumph Development with respect to the Subject Lands as of April 30, 2021 is the sum of \$16,385.15 plus interest and legal costs. Despite demands for payment, and in breach of the Agreement, Triumph Development has refused or neglected to pay the amount outstanding to Gerrits.

The Construction Lien

11. By reason of supplying the Goods to the Subject Lands, Gerrits became entitled to a lien upon the estate and interest of the Owner in the Subject Lands more fully described in the Construction Lien attached hereto as Schedule "A" for the sum of \$16,385.15 plus interest and legal costs.

12. On April 30, 2021, pursuant to the *Construction Act*, Gerrits registered a Construction Lien in the Land Titles Office for Simcoe County (No. 51) as Instrument Number SC1776388, a true copy of which is attached hereto as Schedule "A".

13. The Subject Lands referred to in this Statement of Claim and as described in the Construction Lien attached hereto are the Subject Lands to which Gerrits supplied its goods hereinbefore set forth and for the direct benefit of the Owner.

14. In addition, and in the alternative, Gerrits states that the Defendants have been unjustly enriched by Gerrits's services and that Gerrits has suffered a corresponding deprivation. Gerrits relies on the doctrine of unjust enrichment and claims compensation on a *quantum meruit* basis.

Interest

15. Gerrits claims interest from the Defendants on the amount claimed at a rate of 1.5% per month (18% per annum) pursuant to the Agreement.

16. In the alternative, Gerrits claims interest on the amount claimed pursuant to the *Courts of Justice Act*, R.S.O. 1990, and c.C.43.

The Vander Kooij Mortgage

17. The Plaintiff claims that the Vander Kooij Mortgage was given and taken with the intention of securing the financing of the improvement, and/or taken out to repay such mortgage, and the Plaintiff claims that its lien has full priority over the Vander Kooij Mortgage. In the alternative, the Plaintiff claims,

- (a) Priority over the said mortgage to the extent of any deficiency in the holdback required to be retained by the Owner; and/or
- (b) Priority over the said mortgage to the extent that any portion advanced exceeded the actual value of the premises at the time when the first lien arose; and/or
- (c) Priority over the said mortgage to the extent of any unadvanced portions thereof; and/or

- (d) Priority over said mortgage to the extent of any advance made at a time when there was a preserved or perfected lien against the lands and premises hereinafter described, or after receipt of written notice of a lien.

The Prudent Mortgage

18. The Plaintiff claims that the Prudent Mortgage was given and taken with the intention of securing the financing of the improvement, and/or taken out to repay such mortgage, and the Plaintiff claims that its lien has full priority over the Prudent Mortgage. In the alternative, the Plaintiff claims,

- (a) Priority over the said mortgage to the extent of any deficiency in the holdback required to be retained by the Owner; and/or
- (b) Priority over the said mortgage to the extent that any portion advanced exceeded the actual value of the premises at the time when the first lien arose; and/or
- (c) Priority over the said mortgage to the extent of any unadvanced portions thereof; and/or
- (d) Priority over said mortgage to the extent of any advance made at a time when there was a preserved or perfected lien against the lands and premises hereinafter described, or after receipt of written notice of a lien.

Date: June , 2021

DOOLEY LUCENTI LLP

Barristers and Solicitors
10 Checkley St.
Barrie, ON L4N 1W1

Eric O. Gionet (LSUC 40204P)

egionet@dllaw.ca

Andrew Wood (64286R)

awood@dllaw.ca

Tel: (705) 792-7963

Fax: (705) 792-7964

Lawyers for the Plaintiff

LRO N. 51 Construction Lien

Received at SC1776385 ON 2021 04 29 01:10:34

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

yyyy mm dd Page 1 of 1

Properties

PIN: 38041 - 0138 LT
 Description: PT LT 16 CON 6 WEST GWILLIMBURY AS IN R0281979 SAVE & EXCEPT PTE 1 & 2
 51R37035; TOWN OF BRADFORD WEST GWILLIMBURY
 Address: BRADFORD

Consideration

Consideration \$16,385.15

Claimant(s)

Name: GERRITS ENGINEERING LIMITED
 Address for Service: c/o Dooley Lucenti LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, ON L4N 1W1

I, Joshua D. Small, Vice President, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

I, Joshua D. Small, Vice President, have the authority to bind the corporation.

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

Statements

Name and Address of Owner: Triumph Development HK Bradford Twin Regency Inc., 2362 8th Line, Bradford, ON L3Z 3G3 and A10-3000 Hwy 7 E, Markham, ON L3R 6E1
 Name and address of person to whom lien claimant supplied services or materials: Triumph Development HK Bradford Twin Regency Inc. and/or Dalbrook Triumphant Builders Inc. and/or Dalbrook Group
 Time within which services or materials were supplied: from 2020/07/29 to 2021/03/16
 Short description of services or materials that have been supplied: To provide mechanical and electrical engineering services.
 Contract price or subcontracted price: \$109,510.00 (incl. of HST)
 Amount claimed as owing in respect of services or materials that have been supplied: \$16,385.15 (incl. of HST)

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien.
 Schedule: Address of person to whom lien claimant supplied services: 2362 8th Line, Bradford, ON L3Z 3G3 and A10-3000 Hwy 7 E, Markham, ON L3R 6E1 and 310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

Signed By

Eric Orlé Gossel 10 Checkley Street acting for Signed 2021 04 29
 Barrie Applicant(s)
 L4N 1W1

Tel 705-792-7903

Fax 705-792-7904

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

Submitted By

DOOLEY LUCENTI LLP 10 Checkley Street 2021 04 30
 Barrie
 L4N 1W1

Tel 705-792-7903

Fax 705-792-7904

Fees/Taxes/Payment

Statutory Registration Fee \$65.30
 Total Paid \$65.30

File Number

Claimant Client File Number: 59125

GERRITS ENGINEERING LIMITED
 Plaintiff

-and- **TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. et al.**
 Defendants

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
 PROCEEDING COMMENCED AT
 BARRIE

STATEMENT OF CLAIM

DOOLEY LUCENTI LLP
 Barristers and Solicitors
 10 Checkley Street
 Barrie, ON L4N 1W1

Eric O. Gionet (40204P)
 egionet@dllaw.ca
Andrew Wood (64286R)
 awood@dllaw.ca
 Tel: (705) 792-7963
 Fax: (705) 792-7964

Lawyers for the Plaintiff

File Number: 89129

RCP-E 4C (May 1, 2016)

APPENDIX H

Court File No. CV-21-00000701-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE *CONSTRUCTION ACT*, R.S.O. 1990, c. C30

B E T W E E N:

10853828 CANANDA INC.

Plaintiff

and

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

Defendants

STATEMENT OF DEFENCE

1. The defendant, Prudent Excellence Mortgage Investment Corporation, admit the allegations contained in paragraph 4 of the statement of claim except for the fact that the mortgage/charge is a second mortgage.
2. The defendant, Prudent Excellence Mortgage Investment Corporation, deny the allegations contained in paragraphs 1 and 5 of the statement of claim.
3. The defendant, Prudent Excellence Mortgage Investment Corporation, have no knowledge in respect of the allegations contained in paragraphs 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 of the statement of claim.
4. The defendant, Prudent Excellence Mortgage Investment Corporation (hereinafter referred to as the “Defendant”), is a mortgage investment corporation with head office located in the Municipality of Richmond Hill, in the Province of Ontario, and were at all material times,

mortgagees of the lands owned by the defendant, Triumph Development HK Bradford Twin Regency Inc. (“Triumph”) and described in the plaintiff’s Claim for Lien (the “Lands”).

5. The Defendant admits that, by Instrument No. SC1760648 registered against the title to Lands on March 5, 2021, the Lands were mortgaged in favour of the Defendants for the sum of \$800,000.00 on the terms and conditions set out therein (the “Mortgage”).
6. The Defendant have no knowledge of the amount due and owing to the plaintiff for services and/or materials it provided Triumph Development HK Bradford Twin Regency Inc. and puts the plaintiff to the strict proof thereof.
7. The Defendant denies that their mortgage was taken out with the intention to secure the financing of any improvement provided by the plaintiff.
8. The Defendant denies that they were required to holdback any amounts for the benefit of the plaintiff under the *Construction Lien Act* or any other statute.
9. The Defendant states that at the time of the advances under their mortgage, the plaintiff had not preserved or perfected its lien against title to the Lands secured by their mortgage.
10. The Defendant also states that, prior to any advance, they had not received notice from the plaintiff regarding the plaintiff’s lien.
11. The Defendant denies that the plaintiff’s lien has any priority over their mortgage as alleged or at all.

12. The Defendant further states that the controlling interest of the plaintiff corporation, **Mohammad Mehdi Mehdi Haj-Shaifiei**, was also a Director or Officer of the Defendant “Triumph” at the time when the Mortgage was committed. Therefore, the plaintiff was aware of the Mortgage and had ample opportunity to provide notice to the Defendant regarding any alleged owed payments leading to the lien. The plaintiff failed to provide any notice to the Defendant before the advance of mortgage funds and thus should not have any priority over the Mortgage.
13. The Defendant, Prudent Excellence Mortgage Investment Corporation, asks that this action be dismissed against them with costs.

June 15th, 2021

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Solicitors for the Defendant
Prudent Excellence Mortgage Investment
Corporation

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Solicitors for the Plaintiff
10853828 Canada Inc.

10853828 CANADA INC. v. TRIUMPH ET AL.

Court File No. CV-21-00000701-0000

SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT BARRIE

STATEMENT OF DEFENCE

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Solicitors for the Defendant
Prudent Excellence Mortgage Investment Corporation

Court File No. CV-21-00000698-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE *CONSTRUCTION ACT*, R.S.O. 1990, c. C30

B E T W E E N:

DELBROOK TRIUMPHANT BUILDERS INC.

Plaintiff

and

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

Defendants

STATEMENT OF DEFENCE

1. The defendant, Prudent Excellence Mortgage Investment Corporation, admit the allegations contained in paragraph 4 of the statement of claim except for the fact that the mortgage/charge is a second mortgage.
2. The defendant, Prudent Excellence Mortgage Investment Corporation, deny the allegations contained in paragraphs 1 and 5 of the statement of claim.
3. The defendant, Prudent Excellence Mortgage Investment Corporation, have no knowledge in respect of the allegations contained in paragraphs 2, 3, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 of the statement of claim.
4. The defendant, Prudent Excellence Mortgage Investment Corporation (hereinafter referred to as the “Defendant”), is a mortgage investment corporation with head office located in the Municipality of Richmond Hill, in the Province of Ontario, and were at all material times,

mortgagees of the lands owned by the defendant, Triumph Development HK Bradford Twin Regency Inc. (“Triumph”) and described in the plaintiff’s Claim for Lien (the “Lands”).

5. The Defendant admits that, by Instrument No. SC1760648 registered against the title to Lands on March 5, 2021, the Lands were mortgaged in favour of the Defendants for the sum of \$800,000.00 on the terms and conditions set out therein (the “Mortgage”).
6. The Defendant have no knowledge of the amount due and owing to the plaintiff for services and/or materials it provided Triumph Development HK Bradford Twin Regency Inc. and puts the plaintiff to the strict proof thereof.
7. The Defendant denies that their mortgage was taken out with the intention to secure the financing of any improvement provided by the plaintiff.
8. The Defendant denies that they were required to holdback any amounts for the benefit of the plaintiff under the *Construction Lien Act* or any other statute.
9. The Defendant states that at the time of the advances under their mortgage, the plaintiff had not preserved or perfected its lien against title to the Lands secured by their mortgage.
10. The Defendant also states that, prior to any advance, they had not received notice from the plaintiff regarding the plaintiff’s lien.
11. The Defendant denies that the plaintiff’s lien has any priority over their mortgage as alleged or at all.

12. The Defendant further states that the controlling interest of the plaintiff corporation, **Mohammad Mehdi Mehdi Haj-Shaifiei**, was also a Director or Officer of the Defendant “Triumph” at the time when the Mortgage was committed. Therefore, the plaintiff was aware of the Mortgage and had ample opportunity to provide notice to the Defendant regarding any alleged owed payments leading to the lien. The plaintiff failed to provide any notice to the Defendant before the advance of mortgage funds and thus should not have any priority over the Mortgage.
13. The Defendant, Prudent Excellence Mortgage Investment Corporation, therefore asks that this action be dismissed against them with costs.

June 15th, 2021

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Solicitors for the Plaintiff
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SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT BARRIE

STATEMENT OF DEFENCE

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Solicitors for the Defendant
Prudent Excellence Mortgage Investment Corporation

Court File No. CV-21-00000767-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF *THE CONSTRUCTION ACT, R.S.O. 1990, c. C30*

B E T W E E N:

GERRITS ENGINEERING LIMITED

Plaintiff

and

TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.,
DELBROOK TRIUMPHANT BUILDERS INC., DELBROOK GROUP,
PETER VANDER KOOIJ, LENI VANDER KOOIJ and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION

Defendants

STATEMENT OF DEFENCE

1. The defendant, Prudent Excellence Mortgage Investment Corporation, admit the allegations contained in paragraph 7 of the statement of claim.
2. The defendant, Prudent Excellence Mortgage Investment Corporation, deny the allegations contained in paragraphs 1 and 18 of the statement of claim.
3. The defendant, Prudent Excellence Mortgage Investment Corporation, have no knowledge in respect of the allegations contained in paragraphs 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 of the statement of claim.
4. The defendant, Prudent Excellence Mortgage Investment Corporation (hereinafter referred to as the “**Defendant**”), is a mortgage investment corporation with head office located in the Municipality of Richmond Hill, in the Province of Ontario, and were at all material times, mortgagees of the lands owned by the defendant, Triumph Development HK Bradford Twin Regency Inc. (“**Triumph**”) and described in the plaintiff’s Claim for

Lien (the “**Lands**”).

5. The Defendant admits that, by Instrument No. SC1760648 registered against the title to Lands on March 5, 2021, the Lands were mortgaged in favour of the Defendants for the sum of \$800,000.00 on the terms and conditions set out therein (the “**Mortgage**”).
6. The Defendant have no knowledge of the amount due and owing to the plaintiff for services and/or materials it provided Triumph and puts the plaintiff to the strict proof thereof.
7. The Defendant denies that their mortgage was taken out with the intention to secure the financing of any improvement provided by the plaintiff.
8. The Defendant denies that they were required to holdback any amounts for the benefit of the plaintiff under the *Construction Act* or any other statute.
9. The Defendant states that at the time of the advances under their mortgage, the plaintiff had not preserved or perfected its lien against title to the Lands secured by their mortgage.
10. The Defendant also states that, prior to any advance, they had not received notice from the plaintiff regarding the plaintiff’s lien.
11. The Defendant denies that the plaintiff’s lien has any priority over their mortgage as alleged or at all.
12. The Defendant, Prudent Excellence Mortgage Investment Corporation, requests that this action be dismissed against them with costs payable by Gerrits Engineering Limited.

August 19th, 2021

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-and-
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Markham, ON L3R 6E1
-and/or-
310-350 Highway 7 East
Richmond Hill, ON L4B 3N2

AND TO: **DELBROOK TRIUMPHANT BUILDERS INC.**
2362 8th Line
Bradford, ON L3Z 3G3
-and-
A10-3000 Highway 7 E
Markham, ON L3R 6E1
-and/or-
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Richmond Hill, ON L4B 3N2

AND TO: **DELBROOK GROUP**
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Bradford, ON L3Z 3G3
-and-
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-and/or-
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AND TO: **LENI VANDER KOOLJ**
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GERRITS ENGINEERING LIMITED. v. TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. et al.

Plaintiff

Defendants

Court File No. CV-21-00000767-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
 PROCEEDING COMMENCED AT BARRIE

STATEMENT OF DEFENCE

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Lawyers for the Defendant
 Prudent Excellence Mortgage Investment Corporation

File Number: 02202-21

Court File No. CV-21-00000698-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF the *Construction Act*, R.S.O. 1990, c. C.30

B E T W E E N:

DELBROOK TRIUMPHANT BUILDERS INC.

Plaintiff

and

**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION**

Defendants

**STATEMENT OF DEFENCE OF THE DEFENDANT TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY INC.**

1. The Defendant, Triumph Development HK Bradford Twin Regency Inc. (“**Triumph Bradford**”), admits the allegations contained in paragraph 4 of the Statement of Claim.
2. The Defendant, Triumph Bradford, denies the balance of the allegations contained in the Statement of Claim unless otherwise expressly admitted herein.
3. The Defendant, Triumph Bradford, has no knowledge in respect of the allegations contained in paragraph 2 of the Statement of Claim and puts the Plaintiff to strict proof thereof.
4. The Defendant, Triumph Bradford, denies that the Plaintiff is entitled to the relief sought in paragraph 1 of the Statement of Claim.

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The Bradford project

5. Triumph Bradford is the registered owner of the properties against which the Plaintiff registered its claim for lien (the “**Properties**”), which were purchased for development purposes. The development project involves developing the Properties into a 200 plus unit residential condominium development (the “**Bradford project**”).

6. The Bradford project is currently in the development phase and no construction has started.

Background

7. Triumph Bradford’s director is Lu Shen (“**Shen**”).

8. Mohammad Mehdi Haj-Shafiei (“**Mehdi**”) is the director and controlling mind of the Plaintiff, Delbrook Triumphant Builders Inc. (“**Delbrook Triumphant**”).

9. This action arises as a consequence of the breakdown of a business relationship between Mehdi and Shen in or about March 2021 involving three development Projects (as such term is defined below) following which Mehdi abandoned the Projects and caused Delbrook Triumphant and another company he controls, 10853828 Canada Inc. (“**108 Canada**”), to register duplicative claims for lien against the Projects’ development lands, including the Properties.

10. The development Projects in which Shen and Mehdi were involved included:

- (a) the Bradford project;

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- (b) a four single-family detached home development in Markham, Ontario (the “**77 Villa project**”) being carried out on property owned by Triumph Development HK (Markham Apollo) Inc. and,
- (c) a six single-family detached home development in Richmond Hill, Ontario (the “**Olde Bayview project**”) being carried out on properties owned by Shen and his spouse Yuerong Wang (“**Wang**”).

11. The Bradford project, the 77 Villa project and the Olde Bayview project will collectively be hereinafter referred to as the “**Projects**”.

12. Triumph Bradford and Triumph Markham will collectively be hereinafter referred to as the “**Project companies**”.

13. Mehdi provided development management services to the Projects.

14. Between in or about January 2021 to March 2021, Shen and Mehdi discussed terms for a potential joint venture agreement for the Projects but failed to reach terms.

15. Mehdi thereafter abandoned the Projects and issued Shen, Wang and the Project Companies invoices from 108 Canada and Delbrook Triumphant demanding payment of unearned fees tied to a percentage of hard costs never incurred and caused 108 Canada and Delbrook Triumphant to register duplicative claims for lien against the Project companies’ development lands, including the Properties.

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Delbrook Triumphant Builders Inc.

16. In or about March 2020, Mehdi directed the Project companies with respect to application with Tarion Warranty Corporation (“**Tarion**”) for the 77 Villa and Bradford projects.

17. Mehdi directed that he be added as a director of the Project Companies, that the Project Companies each enter into a CCDC 5B contract with Delbrook Triumphant, and that Delbrook Triumphant would be registered as the Builder.

18. Mehdi advised the Project Companies that the purpose of entering into the CCDC 5B contract with Delbrook Triumphant was only for the purpose of facilitating Tarion registration and that the Project Companies would not be bound to use Delbrook Triumphant as the construction manager and/or builder for the 77 Villa project or the Bradford project and could retain another construction manager and builder for the projects without owing any money to Delbrook Triumphant

19. Triumph Bradford states that Delbrook Triumphant has not supplied any materials or services to the Bradford project under a CCDC 5B contract, as claimed, or otherwise.

20. The Bradford project is in the development phase. There has been no construction and no construction management services provided.

21. Delbrook Triumphant has also not provided any preconstruction management services to the Bradford project under the CCDC 5B contract or otherwise. Triumph Bradford states that the work Delbrook Triumphant claims payment for is duplicative of the development management work claimed and relied on by 108 Canada in its action against Triumph Bradford commenced in

-5-

Court File No. CV-21-00000701-0000 proceeding before the Ontario Superior Court of Justice in Barrie, which action shares common issues of fact and law and claims for relief arising out of the same series of events.

22. Delbrook Triumphant's action is an abuse of process.

23. Triumph Bradford denies that Delbrook Triumphant has sustained any losses or damages or is owed any monies as alleged in the Statement of Claim and puts Delbrook Triumphant to strict proof thereof.

No unjust enrichment

24. Triumph Bradford denies that it has been unjustly enriched in the amount claimed in the Statement of Claim, or for any amount, and denies liability to Delbrook Triumphant on a *quantum meruit* basis, including without limiting the generality of the foregoing that there has been no improvement to the Properties as such term is defined in the *Construction Act* and Delbrook Triumphant has not supplied services or materials to Triumph Bradford that have enhanced the value of Triumph Bradford's interest in the Properties.

Failure to mitigate

25. If Delbrook Triumphant has sustained any losses or damages, which is denied, then such losses or damages are exaggerated, too remote, and Delbrook Triumphant has failed to mitigate them.

26. Delbrook Triumphant abandoned the Bradford project and repudiated the contract and is not entitled to any payment thereunder.

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Timeliness

27. Triumph Bradford denies that Delbrook Triumphant has properly preserved and perfected its lien and puts Delbrook Triumphant to strict proof of establishing the same, and expressly denies that:

- (a) Delbrook Triumphant has a right to lien for the amount claimed, or for any sum, pursuant to the provisions of the *Construction Act*, R.S.O. 1990, c. C.30, as amended (the “*Construction Act*”);
- (b) Delbrook Triumphant properly preserved its lien, on a timely basis, and in accordance with sections 31 and 34 of the *Construction Act*; and,
- (c) Delbrook Triumphant properly perfected its lien, on a timely basis, in accordance with section 36 of the *Construction Act*.

Non-lienable work

28. Triumph Bradford further states that the work upon which Delbrook Triumphant bases its claim for lien is not lienable, including that it relates to preconstruction management work on a project that has not progressed to construction and further represents a claim for damages at large.

Exaggerated lien

29. Triumph Bradford states that if Delbrook Triumphant’s claim for lien is valid, which is denied, the amount claimed is grossly excessive, and Delbrook Triumphant is liable to Triumph Bradford for damages in this regard pursuant to section 35 of the *Construction Act*.

-7-

Set off

30. Triumph Bradford claims set off against any amounts that may be found to be owing to Delbrook Triumphant for all costs, expenses, losses and damages incurred by Triumph Bradford as a result of Delbrook Triumphant's defaults under and breaches of contract (if determined to be applicable) and negligent performance of services and/or negligent misrepresentation. Triumph Bradford pleads and relies on its legal and equitable rights of set off including section 17 of the *Construction Act* and section 111 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

31. Triumph Bradford requests that this action be dismissed with costs payable by Delbrook Triumphant on a substantial indemnity basis pursuant to section 86 of the *Construction Act* or otherwise, plus all applicable taxes thereon.

August 16, 2021

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-8-

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Prudent Excellence Mortgage Investment Corporation*

DELBROOK TRIUMPHANT BUILDERS INC.

-and-

Plaintiff

**TRIUMPH DEVELOPMENT HK BRADFORD
TWIN REGENCY INC. ET AL.**

Defendants

Court File No. CV-21-00000698-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF the Construction Act, R.S.O. 1990, c. C.30

Proceeding Commenced at Barrie

**STATEMENT OF DEFENCE OF THE DEFENDANT
TRIUMPH DEVELOPMENT HK BRADFORD
TWIN REGENCY INC.**

FRIEDMAN LAW

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Triumph Development HK Bradford Twin Regency Inc.

Court File No. CV-21-00000701-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF the *Construction Act*, R.S.O. 1990, c. C.30

B E T W E E N:

10853828 CANADA INC.

Plaintiff

and

**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC. and
PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION**

Defendants

**STATEMENT OF DEFENCE AND COUNTERCLAIM OF THE DEFENDANT
TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.**

1. The Defendant, Triumph Development HK Bradford Twin Regency Inc. (“**Triumph Bradford**”), admits the allegations contained in paragraph 4 of the Statement of Claim.
2. The Defendant, Triumph Bradford, denies the balance of the allegations contained in the Statement of Claim unless otherwise expressly admitted herein.
3. The Defendant, Triumph Bradford, has no knowledge in respect of the allegations contained in paragraph 2 of the Statement of Claim and puts the Plaintiff to strict proof thereof.
4. The Defendant, Triumph Bradford, denies that the Plaintiff is entitled to the relief sought in paragraph 1 of the Statement of Claim.

-2-

The Bradford project

5. Triumph Bradford is the registered owner of the properties against which the Plaintiff registered its claim for lien (the “**Properties**”), which were purchased for development purposes. The development project involves developing the Properties into a 200 plus unit residential condominium development (the “**Bradford project**”).

6. The Bradford project is currently in the development phase and no construction has started.

Background

7. Triumph Bradford’s director is Lu Shen (“**Shen**”).

8. Mohammad Mehdi Haj-Shafiei (“**Mehdi**”) is the director and controlling mind of the Plaintiff, 10853828 Canada Inc. (“**108 Canada**”).

9. This action arises as a consequence of the breakdown of a business relationship between Mehdi and Shen in or about March 2021 involving three development Projects (as such term is defined below) following which Mehdi abandoned the Projects, repudiated all agreements, and caused the Plaintiff and another company he controls, Delbrook Triumphant Builders Inc. (“**Delbrook Triumphant**”), to register duplicative claims for lien against the Projects’ development lands, including the Properties.

10. The development Projects in which Shen and Mehdi were involved included:

(a) the Bradford project;

-3-

- (b) a four single-family detached home development in Markham, Ontario (the “**77 Villa project**”) being carried out on property owned by Triumph Development HK (Markham Apollo) Inc.; and,
- (c) a six single-family detached home development in Richmond Hill, Ontario (the “**Olde Bayview project**”) being carried out on properties owned by Shen and his spouse Yuerong Wang (“**Wang**”).

11. The Bradford project, the 77 Villa project and the Olde Bayview project will collectively be hereinafter referred to as the “**Projects**”.

12. Triumph Bradford and Triumph Markham will collectively be hereinafter referred to as the “**Project companies**”.

Project management services

13. Shen was introduced to Mehdi by a real estate agent, Da Zhang (“**Zhang**”).

14. Mehdi represented to Shen that he was an experienced and knowledgeable consultant for real estate property developments. He represented that he would provide start-to-finish project management services to see the Projects through, from obtaining development approvals to completion of construction with delivery of reliable *pro forma* for both condominium and single-family home developments.

15. In or about June 2017, Shen, Mehdi and Zhang discussed a framework for carrying out the Projects. The Projects would be carried out using a project management company owned by Mehdi, his father Ali Haj-Shafiei (“**Ali**”), Zhang, and Wang. The project management company

-4-

would receive a monthly fixed fee for the duration of the Projects. Provided that and upon achieving substantial completion of the construction of each of the Projects, the ownership group would then be entitled, in proportion to their share holdings, to split an amount equal to 8% of the servicing and construction hard costs incurred. Wang and Zhang would have a 60% ownership interest in the company, while Mehdi and Ali would have a 40% ownership interest.

16. Montanaro Project Management Professional Inc. (“**Montanaro**”) was subsequently incorporated to be the project management company, and Mehdi, Zhang and Wang were its directors.

17. Mehdi, Ali, Zhang and Wang each signed a unanimous shareholders agreement (the “**USA**”), and Zhang and Mehdi further signed a project management agreement dated June 8, 2017 (the “**Montanaro Project Management Agreement**”).

18. The Montanaro Project Management Agreement and the USA were wholly drafted by Mehdi. Shen, Wang and the Project companies did not receive independent legal advice regarding the Montanaro Project Management Agreement or the USA.

19. The Montanaro Project Management Agreement contemplated that the project management company was to, among other things:

- (a) procure all necessary municipal, statutory and/or other government approvals for the developments;
- (b) acquire all permits necessary for developments;

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- (c) supervise the preparation of all plans and specifications required for the developments and construction;
- (d) obtain Tarion registration for the registered owner as a Vendor and/or Builder and maintain the Tarion registration in good standing;
- (e) continue providing services until substantial completion of construction of the development projects; and,
- (f) be paid a fixed monthly fee (the “**Monthly Fixed Fee Amount**”).

20. The Montanaro Project Management Agreement further contemplated that the project management company could receive an amount equal to 8% of “Servicing and Building Hard Cost derived from the Development Lands” (the “**Contingent Fee**”), which required substantial completion of construction.

21. The Montanaro Project Management Agreement provided that in the event of early termination, the project manager would only be entitled to payment of the Monthly Fixed Fee Amount to the date of termination, with any right to further compensation (described in the agreement as an undefined “Participation Amount”) to be determined either by mutual agreement or arbitration, forming essentially an agreement to agree.

22. Mehdi acted on behalf of Montanaro in carrying out project management work for the Projects.

23. In or about 2019, however, Zhang exited the Projects following an insolvency. Montanaro ceased to be operative and the Montanaro Project Management Agreement was terminated.

-6-

24. Following Zhang's exit from the Projects, Shen and Mehdi discussed terms for continuing with the Projects, which included that:

- (a) Mehdi would continue to provide development management services for the Projects and be paid an amount equal to the Monthly Fixed Fee Amounts that had been payable to Montanaro;
- (b) a new company would be formed; and,
- (c) Shen and Mehdi would discuss terms for a new project management agreement for the Projects to be entered into by the new company.

25. Shen provided Mehdi with cheques for amounts equal to the Monthly Fixed Fee Amounts that had been payable to Montanaro, and Mehdi continued to provide development management services for the Projects.

26. Unbeknown to Shen at the time, Mehdi used unregistered business names and unregistered corporate names to obfuscate his dealings regarding the Projects. This included Mehdi using "Delbrook Consulting Inc." (which is not a registered corporation) and "Delbrook Consulting" (which is not a registered business name).

Delbrook Triumphant and breakdown of the relationship

27. In February 2020, Delbrook Triumphant was incorporated to act as the new project management company; however, Shen and Mehdi ultimately did not come to terms for a new project management agreement for the Projects.

-7-

28. In or about March 20, 2020, Shen discovered that the *pro forma* analyses that Mehdi had been providing for the Bradford project had grossly misstated profits, including without limiting the generality of the foregoing by understating construction costs by more than \$27,000,000 and using artificially low consulting fees, all of which undermined confidence and trust in Mehdi.

29. The Projects were also all substantially behind the development milestones that Mehdi had set for the Projects.

30. Between in or about January 2021 to March 2021, Shen and Mehdi discussed terms for a potential joint venture agreement to continue together with the Projects but failed to reach terms.

31. Mehdi thereafter abandoned the Projects and issued Shen, Wang and the Project Companies invoices from 108 Canada demanding payment of the Montanaro Contingent Fee and caused 108 Canada and Delbrook Triumphant to register duplicative claims for lien against the Projects' development lands, including the Properties.

32. After Mehdi abandoned the Projects, Shen discovered that Mehdi had arranged for companies in which he had undisclosed interests to be retained as consultants for the Projects. In particular, Mehdi directed Triumph Markham to retain J&M General Contracting Inc. ("**J&M**"), a company of which he is a director and officer, and which, Triumph Bradford asserts, Mehdi owns or owned shares and is its controlling mind. In late 2020, Mehdi had also directed Shen to replace the longstanding architect for the Projects with a company called Merol Design & Consulting Corp. ("**Merol**"). Triumph Bradford asserts that Mehdi has a direct or indirect undisclosed interest in Merol.

-8-

108 Canada is not entitled to payment

33. Triumph Bradford denies that, as 108 Canada asserts at paragraph 7 of the Statement of Claim, 108 Canada was assigned the Montanaro Project Management Agreement and provided services pursuant to it. 108 Canada was not assigned or otherwise obtained any rights under the Montanaro Project Management Agreement.

34. 108 Canada does not have privity of contract with Triumph Bradford and has no right to demand payment under the Montanaro Project Management Agreement.

35. Even if 108 Canada was assigned or otherwise had rights under the Montanaro Project Management Agreement, which is not admitted but denied, Triumph Bradford denies that 108 Canada has sustained any losses or damages or is owed any monies as alleged in the Statement of Claim, including without limitation because:

- (a) The Bradford Project is still in the development phase;
- (b) No amounts for Servicing and Building Hard Costs (as such term is used in the Montanaro Project Management Agreement) have been incurred;
- (c) the Contingent Fee is not payable;
- (d) an amount equal to the Fixed Monthly Fee Amounts that had been payable under the Montanaro Project Management Agreements were paid to Mehdi until the time 108 Canada Inc. repudiated the agreement and abandoned the Bradford project;

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(e) 108 Canada repudiated the Montanaro Project Management Agreement and is not entitled to further payment thereunder; and,

(f) 108 Canada breached its duty of good faith owed to Triumph Bradford.

36. Mehdi further acknowledged in the Projects' *pro forma* that the development management fees for the Bradford project would be \$0. The invoice Mehdi caused 108 Canada to issue to Triumph Bradford further confirms that 108 Canada's claim herein relates to the Contingent Fee.

37. Neither Mehdi nor 108 Canada is owed any money for development management fees, or otherwise.

38. Triumph Bradford further states that the work 108 Canada claims payment for is duplicative of the work relied on by Delbrook Triumphant in its action against Triumph Bradford commenced in Court File No. CV-21-00000698-0000 proceeding before the Ontario Superior Court of Justice in Barrie, which action shares common issues of fact and law and claims for relief arising out of the same series of events.

77 Villa project delays

39. Mehdi failed to meet development milestones for the Bradford project and did not complete work in accordance with timelines promised to Triumph Bradford causing critical path delay.

40. At all material times, Mehdi was aware that time was of the essence and that losses would result from delay in the completion of the Bradford project.

-10-

41. Mehdi's delay in completing the development work for the Bradford project has caused Triumph Bradford damages and losses, in an amount to be determined prior to trial.

No unjust enrichment

42. Triumph Bradford denies that it has been unjustly enriched in the amount claimed in the Statement of Claim, or for any amount, and denies liability to 108 Canada on a *quantum meruit* basis, including without limiting the generality of the foregoing that there has been no improvement to the Properties as such term is defined in the *Construction Act*, R.S.O. 1990, c. C.30, as amended (the "*Construction Act*"); 108 Canada has not supplied services or materials to Triumph Bradford that have enhanced the value of Triumph Bradford's interest in the Properties; and Mehdi was paid an amount equal to the Monthly Fixed Fee Amount for all development services provided.

43. Any benefit purportedly derived by Triumph Bradford from services performed by 108 Canada has been negated by the delays to the Bradford project that were caused or contributed to by 108 Canada's breach of contract (if held to be applicable), negligence and delay to the Bradford project.

Failure to mitigate

44. If 108 Canada has sustained any losses or damages, which is denied, then such losses or damages are exaggerated, too remote, and 108 Canada has failed to mitigate them.

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Timeliness

45. Triumph Bradford denies that 108 Canada has properly preserved and perfected its lien and puts 108 Canada to strict proof of establishing the same and expressly denies that:

- (a) 108 Canada has a right to lien for the amount claimed, or for any sum, pursuant to the provisions of the *Construction Act*;
- (b) 108 Canada properly preserved its lien, on a timely basis, and in accordance with sections 31 and 34 of the *Construction Act*; and,
- (c) 108 Canada properly perfected its lien, on a timely basis, in accordance with section 36 of the *Construction Act*.

Non-lienable work

46. Triumph Bradford further states that the work upon which 108 Canada bases its claim for lien is not lienable, including that it relates to preconstruction management work on a project that has not progressed to construction and further represents a claim for damages at large.

Exaggerated lien

47. Triumph Bradford states that if 108 Canada's claim for lien is valid, which is denied, the amount claimed is grossly excessive, and 108 Canada is liable to Triumph Bradford for damages in this regard pursuant to section 35 of the *Construction Act*.

-12-

Set off

48. Triumph Bradford claims set off against any amounts that may be found to be owing to 108 Canada for all costs, expenses, losses and damages incurred by Triumph Bradford as a result of 108 Canada's defaults under and breaches of contract (if determined to be applicable) and negligent performance of services and/or negligent misrepresentations. Triumph Bradford pleads and relies on its legal and equitable rights of set off including section 17 of the *Construction Act* and section 111 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

49. Triumph Bradford requests that this action be dismissed with costs payable by 108 Canada on a substantial indemnity basis pursuant to section 86 of the *Construction Act* or otherwise, plus all applicable taxes thereon.

50. Triumph Bradford pleads and relies upon:

- (a) the terms of the Montanaro Project Management Agreement;
- (b) the terms of the USA;
- (c) the doctrine of *contra proferentem*;
- (d) the *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and,
- (e) the *Construction Act*.

COUNTERCLAIM

51. If it is determined by this Honourable Court that 10853828 Canada Inc. ("**108 Canada**") has privity of contract with Triumph Development HK Bradford Twin Regency Inc. ("**Triumph**

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Bradford") pursuant to the Montanaro Project Management Agreement, then Triumph Bradford as Plaintiff by Counterclaim, claims:

- (a) Return of all amounts paid for project management fees, project manager disbursements and additional fees under the Montanaro Project Management Agreement;
- (b) Damages in an amount to be quantified prior to trial for expenses incurred for reports and consultants required under the terms of the Montanaro Project Management Agreement;
- (c) Damages in an amount to be quantified prior to trial, representing the Plaintiff by Counterclaim's special damages flowing from the Defendant by Counterclaim's breach of contract, negligent performance, and/or negligent misrepresentation, including for the Properties' debt financing costs and expenses, the Properties' carrying costs and expenses, and/or loss of investment opportunity;
- (d) Prejudgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (e) Postjudgment interest in accordance with section 129 of the *Courts of Justice Act*;
- (f) The costs of this proceeding, plus all applicable taxes; and,
- (g) Such further and other relief as to this Honourable Court may deem just.

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52. Triumph Bradford repeats and relies upon the allegations in the Statement of Defence in support of the Counterclaim.

Breach of contract

53. The Plaintiff by Counterclaim pleads that 108 Canada breached Article 5.1 of the Montanaro Project Management Agreement by failing to perform the project manager's services and functions to the standard required therein, including to carry out all project manager duties and obligations in a diligent and efficient manner and to the standards of a reasonable and prudent project manager.

54. The Plaintiff by Counterclaim further states that 108 Canada failed to properly carry out the duties of the project manager required under Article 2.1 of the Montanaro Project Management Agreement, including without limiting the generality of the foregoing, by:

- (a) failing to properly supervise the preparation of plans and specifications pertaining to the development of the Properties and the construction of improvements to the Properties;
- (b) failing to acquire necessary permits or procure municipal approvals, and consents to sever;
- (c) failing to properly prepare all municipal reports, studies, financial projections, analyses and budgets necessary in connection with the development of the Properties;

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- (d) directing entering into contracts with companies in which Mehdi had undisclosed interests;
- (e) failing to provide reasonable accounting services and failing to account to Triumph Bradford for all expenditures made from the Project Account (as such term is defined in the Montanaro Project Management Agreement);
- (f) repudiating the Montanaro Project Management Agreement and abandoning the Bradford project; and,
- (g) causing delay to the Bradford project.

Misrepresentation

55. The Plaintiff by Counterclaim further states that Mehdi on behalf of 108 Canada made negligent representations to Shen and/or the Project companies, knowingly, without belief in their truth, or recklessly, and carelessly as to whether the representations were true or false, the particulars of which include that Mehdi provided unreliable *pro forma* analyses for the Projects and misrepresented the status of development milestones and progress of the Projects.

56. Mehdi on behalf of 108 Canada intended that the Plaintiff by Counterclaim should act in reliance on the representations made by Mehdi to Shen and the Project companies, and the Plaintiff by Counterclaim relied on the same and suffered damages as a result of such reliance, including all fees paid for development management services, all expenses incurred in relation thereto, including without limitation for consultants and disbursements and additional fees paid to the project manager.

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57. As a result of the Defendant by Counterclaim's breach of contract and wrongful termination of the Montanaro Project Management Agreement, the Plaintiff by Counterclaim has suffered and continues to suffer damages, including for debt financing costs and expenses, carrying costs and expenses and/or loss of investment opportunity.

58. The Plaintiff by Counterclaim pleads and relies upon:

- (a) the terms of the Montanaro Project Management Agreement;
- (b) the doctrine of *contra proferentem*;
- (c) the *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and,
- (d) the *Construction Act*.

August 16, 2021

FRIEDMAN LAW
PROFESSIONAL CORPORATION
Barristers and Solicitors
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*Lawyers for the Defendant,
Triumph Development HK Bradford
Twin Regency Inc.*

-17-

TO: **GOLDMAN SLOAN NASH & HABER LLP**
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*Lawyers for the Defendant,
Prudent Excellence Mortgage Investment Corporation*

10853828 CANADA INC.

Plaintiff

-and-

**TRIUMPH DEVELOPMENT HK BRADFORD
TWIN REGENCY INC. ET AL.**

Defendants

Court File No. CV-21-00000701-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF the Construction Act, R.S.O. 1990, c. C.30

Proceeding Commenced at Barrie

**STATEMENT OF DEFENCE AND COUNTERCLAIM
OF THE DEFENDANT TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY INC.**

FRIEDMAN LAW

PROFESSIONAL CORPORATION

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*Lawyers for the Defendant,
Triumph Development HK Bradford Twin Regency Inc.*

APPENDIX I

Cerrato, Gary

Subject: FW: [EXT] RE: Bank accounts statements - Triumph Development HK Bradford Twin Regency Inc.pdf

From: Eric Golden
Sent: June 13, 2022 10:51 AM
To: Cerrato, Gary <gcerrato@bdo.ca>
Cc: Lynda Christodoulou <LyndaC@chaitons.com>; Dominique Michaud <dmichaud@robapp.com>; Maya Poliak <Maya@chaitons.com>; Chad Kopach <ckopach@blaney.com>; Parisi, Josie <JParisi@bdo.ca>
Subject: [EXT] RE: Bank accounts statements - Triumph Development HK Bradford Twin Regency Inc.pdf

Hi Gary,

How are you?

Just following up on my email below.

In no particular order,

1. Did you make any inquiries re what appears to have been a misrepresentation/fabricated documents on the Triumph Bradford account statements you had come into possession of prior to me sending you the actual statements?
2. With respect to the proceeding before Myers J. against two the principals of Triumph Bradford (Lu Shen and Yuerong Wang), I have attached his recent Endorsement, and the two related Orders against the individual CTCB borrowers (and Wiseway debt guarantors – Shen and Wang). It looks like we have agreed to an Order with Wiseway whereby CTCB will hold in abeyance any enforcement on its Triumph Richmond Hill security, in return for Wiseway paying the accruing interest into trust. As a result, the CTCB – Wiseway should be moving forward later this summer.
3. Construction liens: our preliminary view is that the liens are not valid (the two larger ones representing about 98% of the liens). As per below, our position is that CTCB's security over Triumph HK covers any and all proceeds after the first two mortgages (and that the third mortgage is null and void)
4. What is the status of the marketing and sales process? Has a report been prepared yet? If not can you provide details of process and status.

Thx!

Eric Golden
Partner - Co-chair, Business Reorganization & Insolvency Group
egolden@blaney.com
📞 416-593-3927 | 📞 416-596-2049

APPENDIX J

Cerrato, Gary

Subject: FW: [EXT] RE: Bank accounts statements - Triumph Development HK Bradford Twin Regency Inc.pdf

From: Chad Kopach
Sent: Tuesday, June 21, 2022 8:50 AM
To: Parisi, Josie <JParisi@bdo.ca>
Cc: Cerrato, Gary <gcerrato@bdo.ca>; Dominique Michaud <dmichaud@robapp.com>; Eric Golden <egolden@blaney.com>
Subject: [EXT] RE: Bank accounts statements - Triumph Development HK Bradford Twin Regency Inc.pdf

Hi Josie,

Responding to Eric's email from last week. Sorry for the delay in getting to this, but I've been tied up with a couple of urgent lien matters over the last week.

Dom Michaud and I discussed this a few weeks back, and I sent him the caselaw I think applies (looping Dom in on this email). Generally speaking, the Construction Act does not allow an owner of a property to maintain a lien over their own property. This prohibition has been expanded from situations of direct ownership, to indirect ownership (i.e. a common owner of Corp A that owns the land, and Corp B that has the registered lien), which I gather may be the situation for the two liens registered by Delbrook (\$1.4M) and 108 Canada (\$1.8M). Both of these liens were "signed" by the same person - "Mohammad Mehdi Mehdi Haj-Shaifiei" in one instance, and "Mehdi Shaifiei" in the other - and in the defences filed by Prudent, it alleges that this individual had a controlling interest in the owner of the subject lands.

Happy to hop on a call with you and Dom this week or next to discuss.

Chad Kopach
Partner

ckopach@blaney.com

📞 416-593-2985 | 📞 416-594-5095

APPENDIX K

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Federal Corporation Information

Federal Corporation Information - 1027140-3

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Note

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

Corporation Number 1027140-3

Business Number (BN) 709637128RC0001

Corporate Name Triumph Development HK Bradford Twin Regency Inc.

Status Active

Governing Legislation *Canada Business Corporations Act - 2017-06-08*

[Order a Corporate Profile PDF Readers](#)

Registered Office Address

A10-3000 Highway 7
Markham ON L3R 4X9
Canada

Note

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

Directors

Minimum 1

Maximum 10

Mohammad Mehdi Haj-Shafiei
310-350 Highway 7E
Richmond Hill ON L4B 3N2
Canada

Lu Shen
2 Sunrise Ridge Trail
Whitchurch-Stouffville ON L4A 0C9
Canada

Yuerong Wang
2 Sunrise Ridge Trail
Whitchurch-Stouffville ON L4A 0C9
Canada

Note

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

Annual Filings

203

Anniversary Date (MM-DD)	06-08
Date of Last Annual Meeting	Not available
Annual Filing Period (MM-DD)	06-08 to 08-07
Type of Corporation	Non-distributing corporation with 50 or fewer shareholders
Status of Annual Filings	2021 - Not due 2020 - Overdue 2019 - Filed

Corporate History

Corporate Name History

2017-06-08 to Present	Triumph Development HK Bradford Twin Regency Inc.
-----------------------	---

Certificates and Filings

Certificate of Incorporation	2017-06-08
-------------------------------------	------------

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APPENDIX L



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Dominique Michaud
T. 416.360.3795
E. dmichaud@robapp.com
F. 416.868.0306

Delivered by: Email

File No.: 2200186

August 5, 2022

Paul Hancock
Daoust Vukovich LLP
20 Queen St. West, Suite 3000
Toronto ON M5H 3R3

phancock@dv-law.com

Dear Mr. Hancock:

Re: Request for Information: Triumph Development HK Bradford Twin Regency Inc. (“Triumph”) – 2362 Line 8, Bradford West Gwillimbury, Ontario (the “Property”)

We are the lawyers for the Receiver in this matter, BDO Canada Ltd. (“**BDO**” or the “**Receiver**”), appointed on March 1, 2022 pursuant to the Order of Justice Conway (*enclosed*).

Your clients, 10853828 Canada Inc. (“**108**”) and Delbrook Triumphant Builders Inc. (“**Delbrook**”) have commenced two separate actions with Court File Nos. CV-21-00000701-0000 (the “**108 Action**”) and CV-21-00000698-0000 (the “**Delbrook Action**”) respectively. These actions name Triumph, a property development company, and Prudent Excellence Mortgage Investment Corporation (“**Prudent**”), a private lender and the holder of the first mortgage on the Property, as defendants. The actions primarily claim the following relief as against the defendants:

- 1) 108 Action: Payment of the sum of \$1,870,538.95 pursuant to a lien registered as Instrument No. SC1768868;
- 2) Delbrook Action: Payment of the sum of \$1,404,036.78 pursuant to a lien registered as Instrument No. SC1768859.

As a matter of the Receiver’s functions, the Receiver will need to investigate a claim made in Prudent’s Statements of Defence in both the 108 Action and the Delbrook Action, which states the following:

12. The Defendant further states that the controlling interest of the plaintiff corporation, **Mohammad Mehdi Mehdi Haj-Shafiei**, was also a Director or Officer of the



Defendant “Triumph” at the time when the Mortgage was committed. Therefore, the plaintiff was aware of the Mortgage and had ample opportunity to provide notice to the Defendant regarding any alleged owed payments leading to the lien. The plaintiff failed to provide any notice to the Defendant before the advance of mortgage funds and thus should not have any priority over the Mortgage.

The director history for Triumph (*enclosed*) shows that Mr. Haj-Shafiei was a director of Triumph from April 14, 2020 until March 29, 2021. The 108 and Delbrook liens were registered just a week after, on April 6, 2021. Mr. Haj-Shafiei, as we understand, is the sole director and has always been the sole director for 108 (*corporate profile enclosed*) and is a director of Delbrook as well.

Additionally, the director history for both Triumph and Delbrook (*enclosed*) also show that Lu Shen, a current director of Triumph, was a director of Delbrook at its inception from February 24, 2020 until November 11, 2020.

The case law on such issues indicates that where a lien claimant and an owner of a property are closely related, it contravenes the intent of the *Act* to permit an owner to lien its own property through a related company.¹ Ontario courts have also found that where two companies have the same controlling mind, even if they are separate legal entities, they may be closely related enough that to allow a lien would be to permit an owner to lien their own property through a related company.² Where such a nexus between the lien claimant and the owner is found, the lien may be discharged or vacated by the court under pursuant to section 47 of the *Construction Act*, R.S.O. 1990, c. C.30 (the “*Act*”).

The Receiver thus needs to make inquiries to determine the status and validity of the 108 and Delbrook liens. As such, pursuant to the Receiver’s powers under paragraph 5 of Justice Conway’s Order, the Receiver requires the following information and/or records:

- 1) confirmation of any relationship between Mr. Haj-Shafiei, 108, Delbrook and Triumph and any supporting documentation to this effect;
- 2) confirmation of any relationship between Mr. Lu Shen, Delbrook and Triumph and any supporting documentation to this effect; and
- 3) any information or documentation including but not limited to corporate records such as shareholder registries, minute books and/or directors’ resolutions in yours or your clients’ possession as it relates to Triumph, 108 and Delbrook.

¹ *Big Creek Construction Ltd. v. York-Trillium Development Group Ltd.* (1993), 8 C.L.R. (2d) 138 (Ont. Gen. Div. [Commercial List])

² *Federated Contractors v. Ann-Maura Developments*, [2010 ONSC 346](#)



Please provide us with these documents by **Friday, August 12, 2022.**

If you have any questions, please do not hesitate to reach out at the coordinates below. We look forward to your cooperation in this matter.

Sincerely,

ROBINS APPLEBY LLP

Per:

Dom Michaud

Dominique Michaud

DM:wI

Enclosures:

1. *Order of Justice Conway dated March 1, 2022*
2. *Director History for Triumph*
3. *Director History for Delbrook*
4. *Corporate profile for 108*

[robapp\8068877.1](#)

APPENDIX M

Chad Kopach
D: 416-593-2985 F: 416-594-5095
ckopach@blaney.com

September 22, 2022

BY E-MAIL

Dominique Michaud
Robins Appleby LLP
120 Adelaide Street West, Suite 2600
Toronto, ON M5H 1T1

Dear Mr. Michaud:

**Re: Prudent Excellence Mortgage Investment Corporation v.
Triumph Development HK Bradford Twin Regency Inc. (the "Receivership")
2362 Line 8, Bradford, ON (the "Property")
Construction Lien of 10853828 Canada Inc. (the "108 Lien")
Construction Lien of Delbrook Triumphant Builders Inc. (the "Delbrook Lien")**

As you know, my firm represents CTBC Bank Corp. ("**CTBC**"), a secured creditor of the Debtor in the Receivership, Triumph Development HK Bradford Twin Regency Inc. ("**Triumph**").

This letter is further to the attendance before Justice Cavanagh on September 14, 2022 in the Receivership, and His Honour's endorsement of the same date (the "**Cavanagh Endorsement**").

CTBC's position is that the 108 Lien and the Delbrook Lien (the "**Impugned Liens**") are invalid.

At the last return date in the Receivership, you advised Justice Cavanagh that the Receiver would bring a motion for directions to deal with the issue of the validity of the Impugned Liens (the "**Motion for Directions**"). In this regard, the Cavanagh Endorsement set a scheduling attendance for October 12, 2022 at 9:30, at which the Motion for Directions will be timetabled. His Honour further directed the Receiver to serve its motion record in respect of the Motion for Directions during the week of October 3, 2022.

The Receiver's motion record is expected to include a report detailing, among other things, its investigation into the validity of the Impugned Liens. As well, the report will set out the issues to be determined on the Motion for Directions.

Prohibition on Owner as Lien Claimant

CTBC's position is that the Impugned Liens are invalid due to common ownership interests in Triumph (the owner of the Property), and the two lien claimants, 10854828 Canada Inc. ("**108 Canada**"), and Delbrook Triumphant Builders Inc. ("**Delbrook**").

There is a general prohibition in Ontario against an owner of a property from maintaining a construction lien over title to its own property.

The prohibition was applied by Justice Farley in *Big Creek Construction Ltd. v York-Trullium Development Group Ltd.*¹. In *Big Creek*, the lien claimant and owner were in a parent-subsidary relationship. Justice Farley determined that it contravened the intent of the *Construction Lien Act* (as it was then known) to permit an owner to lien its own property through its related company, and the lien was discharged. Justice Farley noted that when analysing a lien claimant's entitlement to maintain a lien in these circumstances, it is necessary to look at the substance of relationships, and not merely at the form.

The prohibition set out in *Big Creek* was extended to circumstances beyond the parent-subsidary relationship in *Federated Contractors v. Ann-Maura Developments*². *Federated* dealt with two corporations being controlled by a single individual. In that case, the Court determined that the entities were so closely related that to allow the lien claimant to maintain a lien would, in effect, allow an owner to lien its own property through a related company.

In the case at bar, there appears to be a commonality of ownership through two individuals who are controlling (or who controlled at relevant times) Triumph (the owner of the Property), Delbrook and 108 Canada (the two lien claimants).

Allegations and Indicia of Common Ownership

The issue of common ownership between (a) Triumph and 108 Canada, and (b) Triumph and Delbrook, was first raised in the defences to the lien claims delivered by the Applicant in the Receivership (and defendant in the lien actions), Prudent Excellence Mortgage Investment Corporation ("**Prudent**") dated June 15, 2021.³ In the defences, Prudent alleged common control by an individual named Mohammad Mehdi Mehdi Haj-Shaifiei ("**Mehdi**").

A review of the publicly available corporate histories⁴ for Triumph, Delbrook and 108 Canada indicates common control (and, accordingly, potentially common ownership) through not just Mehdi, but also and through an individual named Lu Shen ("**Shen**").

Information from Publicly-Available Documents

Triumph was incorporated on June 8, 2017. The director history for Triumph, attached, indicates that Shen has been a director since February 1, 2018 (and continues in this role), and that Mehdi was a director from April 14, 2020 to March 29, 2021.

108 Canada was incorporated on June 22, 2018. The director history for 108 Canada, attached, indicates that Mehdi has been a director of that corporation since its inception, and continues in that role.

¹ [1993] O.J. No. 1144 (Gen. Div.). aff'd [1993] O.J. 2390 (Div. Ct.) ("**Big Creek**")

² 2010 ONSC 346 (CanLII) ("**Federated**")

³ Exhibit "L" to the affidavit of Fujia (Frank) Wang, filed by Prudent in the Receivership

⁴ All three corporations are federally incorporated, which only maintains information on directors of corporations. Information about the officers or shareholders of these three corporations is not publicly available.

Delbrook was incorporated on February 24, 2020. The director history for Delbrook, attached, indicates that Shen and Mehdi were first appointed directors when Delbrook was incorporated. Shen ceased to be a director on November 11, 2020, but Mehdi continues in that role.

In the Delbrook Lien, Delbrook alleges it supplied services or materials from March 3, 2020 to April 6, 2021 (the “**Delbrook Period of Supply**”). Shen had an interest in both Triumph and Delbrook for approximately 8 months of the 13-month Delbrook Period of Supply (i.e. from March 3, 2020 to March 29, 2021). Mehdi had an interest in both corporations for approximately 12 months of the 13-month Delbrook Period of Supply (i.e. from April 14, 2020 to April 6, 2021).

In the 108 Lien, 108 Canada alleges it supplied services or materials from June 8, 2017 to April 6, 2021 (the “**108 Canada Period of Supply**”). Mehdi appears to have had an interest in both Triumph and 108 Canada for almost 12 months of the purported approximately 47-month 108 Canada Period of Supply (i.e. from April 14, 2020 to March 29, 2021).

The Receiver’s Investigation

As an initial point, the start date for the 108 Lien (June 8, 2017) is the same date as the incorporation date for Triumph, but this date was approximately 12 months before 108 Canada came into existence. The Receiver will need to require particulars and production of documents in support of the work purportedly done in respect of this lien prior to 108 Canada being incorporated (i.e. from June 8, 2017 to June 22, 2018) to determine whether this work was actually performed by Triumph.

CTBC expects that the Receiver’s investigation will include obtaining and analyzing the corporate books and records (including but not limited to minute books and shareholder registers) of not just Triumph, but also of Delbrook and 108 Canada. These documents will indicate the extent to which (a) Mehdi controlled or owned all or part of both Triumph and 108 Canada during all or part of the 108 Canada Period of Supply, and (b) Mehdi and Shen controlled or owned all or part of both Triumph and Delbrook during all or part of the Delbrook Period of Supply.

As well, to the extent they are not included in the corporate books and records, CTBC expects the Receiver will require production of agreements to which Mehdi, Shen, Triumph, Delbrook, and/or 108 Canada are parties that delineate the rights or obligations of the individuals Mehdi and/or Shen vis-à-vis the corporations (Triumph, Delbrook and/or 108 Canada).

To the extent that either of Mehdi or Shen allege that they transferred an interest in any of the three corporations, the Receiver should request copies of any agreements effecting the transfer, as well as evidence of any consideration paid and/or received.

The Receiver should inquire of Triumph, Delbrook and 108 Canada what law firm(s) was/were retained by these three corporations to maintain their respective corporate records, prepare any agreements, and process any transfers of interests.

Further, the financial statements of the three corporations will need to be produced and analyzed by the Receiver to determine the substance of Triumph’s relationship to each of Delbrook and 108 Canada. If not evident from the face of the documents, the Receiver should inquire as to the identity of the accounting firm(s) retained by Triumph, Delbrook and 108 Canada to prepare their financial documents.

The caselaw referred to above confirms that in reviewing the substance of relationships, it is also important to review how the purported lien claimants described themselves to the public, including to subcontractors, suppliers and consultants, and to governmental authorities. I would expect that the investigation would include receiving bidding/tendering documents, permit and warranty applications, approvals (including site plan approval), and any correspondence relating to same.

If any of the above information and documentation is not forthcoming, the Receiver should be requesting the Court to draw an adverse inference against the lien claimants. As set out in *Federated*, because a motion to determine the validity of a lien “is akin to summary judgment, the party responding must put forward the best evidence available: lead trump or fail.”⁵

Yours very truly,

Blaney McMurtry LLP



Chad Kopach
CK/kv

Encl.

cc. Paul Hancock (counsel to Delbrook and 108 Canada)

⁵ *Federated* at paragraph 34.

APPENDIX N

Cerrato, Gary

From: Anisha Samat <asamat@robapp.com>
 Sent: Monday, September 26, 2022 10:42 AM
 To: phancock@dv-law.com
 Cc: Dominique Michaud
 Subject: RE: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario
 Attachments: 2022-09-22 - Letter to D Michaud.pdf

Paul:

By way of introduction, I am assisting Dom with this file.

Further to your discussions with Dom, please find attached a letter we received from CTBC's counsel requesting further documentation for the 108 and Delbrook Liens. While we acknowledge that you have provided us some of the documents requested, please take a read-through and provide us with any additional documents that may still be outstanding. In the event that you/your clients are unwilling to provide us with any of the documents requested, please let us know your position and reasons.

As the Receiver's motion materials for the upcoming Motion for Directions are due next week, please provide us with any outstanding documents by Monday, October 3rd. If you have any questions please feel free to reach out.

Thanks in advance,



Anisha Samat
 Litigation Lawyer
 T. 416.360.3728
 E. asamat@robapp.com
ROBINS APPLEBY
 BARRISTERS + SOLICITORS

From: Melina Florez <MFlorez@dv-law.com>
 Sent: August 19, 2022 3:37 PM
 To: Dominique Michaud <dmichaud@robapp.com>
 Cc: Paul Hancock <phancock@dv-law.com>
 Subject: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario

CAUTION: External e-mail.

Good afternoon,

Please find attached correspondence from Mr. Hancock dated August 19, 2022, with respect to the above-noted matter.

Please also find the dropbox link below for all the tabs referenced in the attached letter.

<https://www.dropbox.com/sh/qq52q5qf3y2pb6f/AAB0cuB5CE74GuRFwG46MdqYa?dl=0>

Kind regards,

Melina Florez
Litigation Legal Assistant
Direct: (416) 598-7053
mflorez@dv-law.com



Daoust Vukovich LLP - 20 Queen Street West, Suite 3000, Toronto, ON, M5H 3R3, Canada
M: 416-597-6888 • F: 416-597-8897
Follow us: [LinkedIn](#) • www.dv-law.com

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APPENDIX O

**PAUL HANCOCK**

Direct Dial: (416) 597-6824

E-mail: phancock@dv-law.com

File No. 220537

August 19, 2022

VIA EMAIL: E.dmichaud@robapp.com**ROBINS APPLEBY LLP**

2600-120 Adelaide Street West

Toronto, Ontario

M5H 1T1

Attention: Dominique Michaud

Dear Madam:

**Re: Request for Information: Triumph Development HK Bradford Twin Regency Inc.
("Triumph") – 2362 Line 8, Bradford West Gwillimbury, Ontario (the "Property")**

My clients Delbrook Triumphant Builders Inc. ("Delbrook") and 10853828 Canada Inc. ("108") have provided me with documents related to your August 5, 2022, request.

I would note, however, that the Receiver's request does not relate to Prudent Excellence Mortgage Investment Corporation's ("Prudent") pleaded defence.

Prudent has not pled that either Delbrook or 108 are owners pursuant to the Construction Act and their liens are invalid on that basis. Instead, Prudent is disputing any priority claim made by Delbrook or 108 on the basis that Prudent did not have notice of any claim for lien at the time advances were made. Prudent is also denying Peter and Leni Bander Kooij's mortgage is in first position and Prudent is in second position (see paragraph 1 of the Defence).

As the additional provisions in Prudent's registered charge (enclosed as tab 1) specifically refer to a second advance of up to two hundred thousand dollars upon receiving positive feedback regarding the second submission of the Site Plan Application from Bradford and York Region (being the documents that my clients prepared which the Receiver has used to market the project), Prudent's own documentation establishes that Prudent's mortgage is, in fact, a building mortgage pursuant to section 78(2) of the *Construction Act* and should satisfy any inquiry the Receiver may have as to Prudent's allegation that no lien claim has priority.

I would further note that Prudent operated out of the same shared 350 Highway 7 east, Suite 310 office as Triumph from at least 2019 until March 2021, when an eviction notice was issued (enclosed as tab 2) and that between the end of 2019 and early 2020 108 and Delbrook also operated out of said suite while they were renovating their own offices.

Accordingly, Prudent was well aware of the services that Delbrook was providing to Triumph when the mortgage.

Furthermore, in 2019 “Frank” Fujia Wang, the president of Prudent, was introduced to 108 as a director or manager of Triumph and 108 reported to Mr. Wang on this project (as well as other projects). Please find enclosed e-mails correspondence and meeting minutes where 108 is reporting and receiving instructions from Mr. Wang on behalf of Triumph (enclosed as tabs 3 to 6).

I trust that Receiver has done its due diligence to determine Prudent and Triumph’s relationship to confirm that the second mortgage is between arms’ length parties.

With respect to the balance of the allegations at paragraph 12 of Prudent’s Statement of Defence, if the Receiver does want Delbrook and 108 to respond to Prudent’s actual position, in order to establish whether Prudent may have had notice of Delbrook and 108’s lien claims at the time of any advance, I would ask that you provide us with the dates that funds were advanced, along with supporting documents, so we can set out 108 and Delbrook’s position as to whether Prudent would have had notice of any claim for lien at that time.

With respect to the Receiver’s request for information, both 108 and Delbrook solely had contractual relationships with Triumph and were not owned by the same individuals as Triumph.

108 took over the June 8, 2017, project development between Montanaro Project Management Professional Inc. and Triumph in 2019 with Triumph’s consent. Please find enclosed a copy of the project development agreement (tab 7) as well as Triumph’s acceptance of consultant contracts that include an acknowledgment that 108 is solely is merely a development manager/project manager and Triumph has authorized said contracts (Tabs 8 to 15).

Mohammad Mehdi Haj-Shafiei is the sole officer and director of 108. Mr. Shafiei is the sole shareholder of 108. No person related to Triumph has ever been an officer or director of 108.

Delbrook was incorporated to act as the construction manager for the project and entered into a contract with Triumph on March 3, 2020 (see enclosed Tab 16). The shareholders of Delbrook are Sandro Soscia, Mehdi Shafiei, and Ali Haj-Shafiei (see enclosed Tab 17). No other persons have ever owned shares in Delbrook.

My clients were advised by Ms. Shen that Triumph interviewed other builders before choosing Delbrook.

As part of the construction management services provided by Delbrook, Delbrook agreed to assist Triumph to obtain Tarion registration under the Delbrook umbrella of companies. In order for Triumph to be part of Delbrook’s umbrella group, Triumph was required to share at least one

common officer or director with Delbrook. Please find enclosed the Ontario Builder Directory searches which show that Triumph was under Delbrook Homes umbrella and the requirement to have a common officer or director (Tabs 18 to 20).

As part of that process Mehdi Shafiei was listed as a director of Triumph between April 14, 2020, and March 29, 2021. Please find enclosed a May 19, 2020, e-mail from Mr. Shafiei to Delbrook's solicitor requesting that an indemnity be prepared as Mr. Shafiei was listed as a director of Triumph solely for Tarion purposes (Tab 21). I am also enclosing a February 4, 2021, e-mail from Mr. Shen and Mr. Wu seeking instructions to further demonstrate that Mr. Shafiei did not have control of Triumph and Delbrook was operating at arms' length (Tab 22).

On March 29, 2021, Mehdi Shafiei was removed as a director by Triumph. Mr. Shafiei was not involved in his removal and suspects that it was due to Triumph's refusal to pay 108 and Delbrook, but we have no documents related to same.

Mehdi Shafiei never had any financial interest in Triumph and was solely a director for the purposes of Triumph being registered with Tarion.

Triumph's Lu Shen and Gary Chan were listed directors of Delbrook from February 24, 2020, to November 11, 2020. They were originally added because my clients were under the misapprehension that Tarion required same and they were removed when the parties realized that Lu Shen and Gary Chan did not need to be directors of Delbrook for Tarion purposes (whereby only Mr. Shafiei remained as a director of Triumph and Delbrook). Both Lu Shen and Gary Chan signed resignations (see enclosed Tabs 23 and 24).

As part of Triumph becoming registered with Tarion, Delbrook assembled and provided Tarion with documents from Triumph, including the following enclosed documents:

1. A vendor agreement executed by Lu Shen (Tab 25);
2. A Guarantee and Indemnity agreement executed by Lu Shen (Tab 26);
3. A Guarantee and Indemnity agreement executed by Yureong Wang (Tab 27);
4. An organization chart showing that Triumph's sole shareholder was Bradford Holding Limited Partnership, whose shareholders were various companies owned by Lu Shen, Yuerong Wang, and Jun Chen (Tab 28);
5. A Shareholder registry showing that Yuerong Wang owned 100 percent of the shares of Triumph (Tab 29);
6. A Shareholder registry showing Wang and Bradford Holding Limited Partnership being the shareholders of Triumph (Tab 30);
7. A priority level agreement between Wiseway Global Canada Consulting Ltd. ("Wiseway") and Triumph Development Bradford Limited, Lu Shen, and Yeurong Wang (Tab 31);
8. A certificate of funds for Wiseway (Tab 32);
9. An intermediate level agreement between Canada Sunlike Limited, Triumph Development Bradford Limited, Lu Shen, and Yuerong Wang (Tab 33); and
10. A Limited partnership agreement between various companies (Tab 34).

In similar fashion to the negotiation of Prudence second mortgage, Mehdi Shafiei did not participate and does not have any further information regarding numbers 4 to 10, save and except for the fact that those documents were submitted to Tarion and Tarion approved the registration of Triumph with Tarion.

We do not have any resolutions, shareholder registries, and/or minute books related to Triumph.

However, I note that Wiseway appears to have some interest in Triumph and may be able to provide you with further information regarding the ownership structure of Triumph.

With respect to 108 and Delbrook, we have enclosed the shareholder registry for Delbrook, but there are no director resolutions related to the project and/or Triumph for either company.

Please do not hesitate to contact me if the Receiver requires any further information or have any questions regarding the enclosed documents (or the over 800 documents previously provided).

Yours truly,



Paul Hancock
PW/mf
cc: Client (by email)

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

yyyy mm dd Page 1 of 8

Properties

PIN 58041 - 0138 LT Interest/Estate Fee Simple
 Description PT LT 16 CON 8 WEST GWILLIMBURY AS IN RO261979 SAVE & EXCEPT PTS 1 & 3
 51R37039; TOWN OF BRADFORD WEST GWILLIMBURY
 Address 2362 LINE 8
 BRADFORD

Chargor(s)

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

Name TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.
 Address for Service A10-3000 Highway 7 E, Markham,
 Ontario, L3R 6E1

I, Lu Shen (President), have the authority to bind the corporation.

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

Chargee(s)*Capacity**Share*

Name PRUDENT EXCELLENCE MORTGAGE INVESTMENT
 CORPORATION
 Address for Service 350 Hwy 7 East, Suite 310, Richmond Hill, Ontario L4B 3N2

Statements

Schedule: See Schedules

Provisions

Principal \$800,000.00 Currency CDN
 Calculation Period Monthly, not in advance
 Balance Due Date 2022/03/03
 Interest Rate 10.50 % per annum
 Payments
 Interest Adjustment Date 2021 03 03
 Payment Date See Additional Provisions
 First Payment Date
 Last Payment Date 2022 03 03
 Standard Charge Terms 200433
 Insurance Amount Full insurable value
 Guarantor Yuerong Wang and Lu Shen

Additional Provisions

First advance is Six Hundred Thousand Dollars (\$600,000.00) upon closing. Second advance is up to Two Hundred Thousand Dollars (\$200,000.00) upon receiving a positive feedback, to the Lenders satisfaction, to the second submission of the Site Plan Application from Bradford and York Region Government.

Interest for each draw will be prepaid to lenders and deducted from fund advance.

In case of default, the Lender can, at its sole discretion, take over existing first mortgage. For such new first mortgage by the Lender, the loan principal amount will include original first mortgage principal and all reasonable costs (accrued interest, admin fee, legal costs, and so on) paid to existing first lenders, with lender fee at 3% and interest rate at 9.9% per annum.

Signed By

Xin Sun 205-219 Oxford Street West acting for Signed 2021 03 05
 London Chargor(s)
 N6H 1S5

Tel 519-681-9180

Fax 519-681-9518

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

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

Submitted By

XS LAW PROFESSIONAL CORPORATION 205-219 Oxford Street West 2021 03 05
London
N6H 1S5
Tel 519-681-9180
Fax 519-681-9518

Fees/Taxes/Payment

Statutory Registration Fee \$65.30
Total Paid \$65.30

File Number

Chargee Client File Number : 01953-21

ADDITIONAL CHARGE PROVISION

This is a Schedule to a Charge on the lands and premises described as Part Lot 16, Concession 8 West Gwillimbury as in RO261979; Save & Except Parts 1 & 3 on Plan 51R37039; Town of Bradford West Gwillimbury - Municipally known as 2362 Line 8, Bradford West Gwillimbury, Ontario. (collectively, the "property")

Between:

Prudent Excellence Mortgage Investment Corporation
(as "Chargees")

and

Triumph Development HK Bradford Twin Regency Inc.
(as "Chargor")

1. The Chargor covenants and agrees that all the obligations, terms, covenants, warranties and stipulations on the part of the Chargor contained in the Mortgage Loan Agreement dated March 1, 2021 (the "Loan Agreement") between the Chargees and the Chargor form an integral part of this Charge and all such terms of the Loan Agreement shall be deemed to be part of this Charge and of the same force and effect as if they were fully set forth herein, and the Chargor covenants and agrees to keep and perform such terms and failure on the part of the Chargor to observe, keep and perform such terms shall constitute a default hereunder and this charge shall then be deemed to be in default. The Loan Agreement shall survive the disbursement of the loan secured by this Charge and shall remain in full force and effect for the benefit of the Chargees. To the extent that any term or terms of the Loan Agreement conflicts with any term or terms of this Charge, the Loan Agreement shall govern.
2. The term of the Charge is Twelve (12) months. It is fully open for repayment at any time on 30 days prior written notice, without penalty.
3. Subject to the condition that there having been no default by the Chargor during the original term of this loan, based on market price of financing and in favor of long-term partnership, renewal or extension of at least 30 days may be granted at the Lender's sole discretion.
4. If the Chargor defaults in paying the monthly payments or any other fees, charges or expenses due under this Charge, the Chargees shall add any arrears, including arrears of interest, to the then outstanding principal loan amount and add interest thereon, at the rate required by this Charge, compounded monthly, both before and after the balance due date, default and judgment on all such arrears, and this additional interest shall be payable by the Chargor immediately when required by this Charge, both before and after the balance due date, default and judgment.
5. Except as permitted by the terms of the Loan Agreement, the Chargor shall not grant or permit any further charge or encumbrance of any nature to be registered against the property without the prior written consent of the Chargees; and if the Chargor shall at any time sell, transfer, convey or otherwise dispose of or further encumber all or part of the property without the prior written consent of the Chargees, then, at the Chargees' option, this Charge shall immediately become due and payable in full including interest to the maturity date of this Charge.
6. In the event that the Chargor is in default in any other charge registered against all or part of the property, the Chargor shall be deemed to be in default under this Charge and the Chargees shall be entitled to pursue all of the remedies contained herein for a default under this Charge.
7. In the event that the full principal amount is not paid on or before the maturity date thereof, the Chargees shall be entitled to require a payment equal to three (3) months' interest on the principal amount outstanding prior to permitting repayment thereof by the Chargor.
8. For a complete list of fees applicable, refer to Schedule B of the Loan Agreement.

The following shall apply except to the extent that any term or terms conflicts with any term or terms of the Loan Agreement, the Loan Agreement shall govern.

(a) In the event of the return of any of the Chargor's cheques, unpaid by the financial institution from which they were drawn, for any reason whatsoever, or any payment remains unpaid when due, the Chargor shall pay to the Chargee the sum of Three Hundred Dollars (\$300.00) plus H.S.T. for each

Initial of Chargor/Guarantors

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such occurrence as the Chargee's liquidated damages and not as penalty, which damages, if unpaid, shall be added to the principal sum then outstanding and shall bear interest at the rate set out herein.

(b) In the event of the cancellation of the fire insurance policy covering all or part of the herein mortgaged property, for any reason whatsoever, the Chargor shall pay to the Chargees the sum of Five Hundred Dollars (\$500.00) plus HST for each such occurrence, as the Chargees' liquidated damages and not as penalty, which damages, if unpaid, shall be added to the principal sum then outstanding and shall bear interest at the rate herein stated. The Chargor shall provide proof of insurance to the Chargees at the Chargees' request. In the event that the Chargees deem it necessary to arrange for insurance to be placed on all or part of the herein mortgaged property, any amount paid by the Chargees thereof, if not reimbursed to the Chargees, shall form part of the indebtedness secured by this Charge bearing interest at the rate set out herein. The Chargor shall also pay to the Chargees a fee in the amount of Five Hundred Dollars (\$500.00) plus HST on each occasion on which the Chargees arrange the placement of insurance over the herein mortgaged property, which shall also form part of the indebtedness secured by this Charge and, if unpaid, shall bear interest at the rate set out herein.

(c) In the event of default in payment of any amount due from time to time or the default of any covenant, or implied covenant, term or condition in this Charge and additional provisions thereof, the Chargor shall pay to the Chargees the sum of Three Hundred Dollars (\$300.00) plus HST for each such occurrence of default, as the Chargees' liquidated damages and not as penalty, which damages, if unpaid, shall be added to the principal sum then outstanding and shall bear interest at the rate set out herein. Furthermore, in the event of default, the Chargees shall be entitled to property inspection fees at the rate of Five Hundred Dollars (\$500.00) plus HST per inspection as may be required in the sole discretion of the Chargees. The Chargor hereby agrees to wholly indemnify the Chargees for all solicitor's fees and disbursements incurred by the Chargees on a solicitor and client scale, in the event of default.

(d) The Chargor hereby agrees to pay \$350.00 plus H.S.T. to the Chargees' solicitor for the preparation of each and every mortgage statement requested by the Chargor and such amount, if unpaid, shall bear interest at the rate herein stated and shall form part of the indebtedness secured by this Charge.

(e) The Chargees shall have the exclusive right to prepare and execute the Discharge of Charge for this Charge. The Chargor shall pay a fee of \$550.00 plus H.S.T. to the Chargees' solicitor for the preparation of the Discharge of Charge in addition to each mortgage statement fee, the Chargees' solicitor's fee calculated on an hourly rate basis for any extraordinary time spent in connection with the Discharge, other disbursements and registration fee.

(f) If there is any default by the Chargor under this Charge and the Chargees instruct their solicitor to issue a letter or notice to the Chargor demanding for compliance with the terms of the Charge, the Chargor shall pay the Chargees' legal fee in an amount of not less than \$1,000.00 plus disbursements and H.S.T. for each such demand letter issued by the Chargees' solicitor.

(g) Should default be made by the Chargor in the observance or performance of any of the covenants, provisions, agreements or conditions contained in this Charge, the Chargees reserve the right to enter into the Property and to receive the rents and profits and shall be entitled to receive in addition to all other fees, charges and disbursements to which the Chargees are entitled, a management fee of Two Hundred Dollars (\$200.00) per day for administering the maintenance and security of the Property as well as an administration fee of \$300.00 for each attendance at the Property by or on behalf of the Chargees during the course of the management of the Property.

(h) In the event any legal action is contemplated for any breach by the Chargor, in addition to its legal fees, the Chargees shall be entitled to charge an administration fee of One Thousand Five Hundred Dollars (\$1,500.00) plus HST.

2. In addition to any other events of default noted elsewhere herein, the happening of any of the following shall constitute a "default" under this Charge:

- a. if the Chargor shall make default under any one or more of the covenants, conditions, terms, agreements, provisions and obligations herein contained by and on the part of the said Chargor to be kept, observed and performed;
- b. if the Chargor becomes insolvent or bankrupt, or a trustee in bankruptcy be appointed for the Chargor or if the Chargor shall make a general assignment for the benefit of creditors or shall go into liquidation either voluntarily or under an order of a court of competent jurisdiction or otherwise acknowledges his insolvency;

- c. If there is a change of control of any corporate Chargor to a person or persons not approved by the Chargees, in writing;
- d. If at any time there is or has been any discrepancy or inaccuracy in any written information, statements or representations made or furnished in the Chargees by or on behalf of the Chargor with respect to all or part of the herein mortgaged property or any of the Chargor's financial condition and responsibility, and if such discrepancies or inaccuracies are material and cannot be verified or nullified by the Chargor to the satisfaction of the Chargees within thirty (30) days of written notification thereof to the Chargor;
- e. If the Chargor shall make default under any one or more of the covenants, agreements, provisions, obligations, representations;
- f. If the Chargor obtains any subsequent financing or refinancing of the property, other than such financing as exists on the date of registration of this Charge, without having obtained the prior written approval of the Chargees; and
- g. If there is litigation or any other proceeding, application, claim or action pending or threatened before any court, administrative board, or other tribunal which, if determined adversely to the Chargor, in the opinion of the Chargees would materially affect the herein mortgaged property or would have a material adverse effect on the financial condition of the Chargor or the income of the property.

Upon the occurrence of any default, the Chargees may, at their sole option, avail themselves of any or all of the remedies contained herein and at law.

Notwithstanding anything in this Charge to the contrary, the Chargor shall be entitled to a period of five (5) business days from receipt from the Chargees of notice of a default to remedy the default and, if the Chargor cures the default during such period, there shall be deemed to have been no default.

- 10. Upon the occurrence of a default under this Charge, all principal and interest and any other charges or fees due under this Charge shall become due and payable in full.
- 11. The Chargor covenants and agrees to pay all property taxes, all public utility rates and insurance premiums as and when they come due, to keep all encumbrances and agreements in good standing, to comply with all zoning, by-laws, standards and work orders and to rectify any work orders, deficiency notices and/or letters of compliance within thirty (30) days of receipt of notice thereof and to cause to be discharged or release registration of any liens of any nature or kind within thirty (30) days of registration of such lien(s). The failure by the Chargor to comply with this covenant shall constitute an event of default hereunder and entitle the Chargees, at their sole option, to avail themselves of the remedies available hereunder and at law.

In addition at the Chargees' sole option, the Chargor hereby agrees that the Chargees may, if the Chargor fails to comply as aforesaid, satisfy any matter raised in the preceding paragraph or other circumstance now or hereafter existing or to arise or to be claimed upon the mortgaged property, and the amount so paid, together with all costs associated therewith, shall be added to the principal sum hereby secured and bear interest at the rate of interest set out herein and shall be payable forthwith by the Chargor and, in default of payment, the entire principal sum, all accrued and unpaid interest and all costs shall become immediately payable at the option of the Chargees and the remedies hereby given and/or available at law may be exercised forthwith without notice.
- 12. The Chargor acknowledges and agrees that any and all costs as may be incurred from time to time by the Chargees in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) (or other insolvency legislation) shall be entirely for the account of the Chargor.
- 13. If the lands covered by this Charge shall be expropriated by any governmental authority, body or corporation clothed with the powers of expropriation, the amount of the principal hereby secured remaining unpaid shall forthwith become due and payable together with interest at the said rate to the date of payment and together with a bonus equal to the sum of three months' interest at the said rate calculated on the remaining principal sum from the said date of payment to the date the said principal sum or balance thereof remaining unpaid would otherwise under the provisions of this Charge become due and payable.
- 14. The Chargees may pay all of their expenses of collecting any payments not received from the Chargor when due ("Collection Expenses"). These expenses shall include, but not be limited to, all of the Chargees' legal expenses on a solicitor and client basis. The Chargor agrees that immediately upon request the Chargor will reimburse the Chargees all such Collection Expenses. Until paid, such Collection Expenses shall be added to the outstanding principal hereunder and shall be a Charge on the lands covered by this Charge. Interest is payable by the Chargor on all Collection Expenses at the interest rate provided in this Charge.

Initial of Chargor/Guarantor

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until such payments are paid in full by the Chargor. Any default by the Chargor in paying Collection Expenses due to the Chargees shall be deemed a default under this Charge and the Chargees shall thereupon be entitled to exercise any and all of the rights and remedies contained in this Charge.

15. In the event the Chargees shall, without fault on its part, be made a party in any litigation commenced by or against the Chargor, the Chargor shall protect and hold the Chargees harmless therefrom and shall pay all costs, expenses and solicitors and counsel's fees incurred by the Chargees on a solicitor and his own client basis. Such costs shall be a Charge on the Property and may be added to the loan secured hereby.
16. In the event that any part of the Property should become the matrimonial home of the Chargor, then the principal amount herein secured and all interest payable up to the maturity date of this Charge shall, at the sole option of the Chargees, become immediately due and payable unless the spouse of the Chargor consents to this Charge and release to the Chargees his or her interest in the Property.
17. For the purpose of the calculation of interest, any payment of principal received after 1:00 p.m. shall be deemed to have been received on the next following banking day.
18. The Chargees shall be entitled to assign this Charge and all of the Chargees' right, title and interest under this Charge to any third party (the "Assignee") at any time without prior notice to the Chargor whereupon the Chargor shall fulfil his obligations to the Assignee as if it were named the original Chargees under this Charge.
19. If the Property is or is intended to be used for residential purposes then the following provisions shall apply:
 - a. The Chargor represents, warrants, covenants and agrees that no part of the Property are rented or occupied by a Tenant (as defined herein) and further covenants and agrees not to rent, lease, enter into a tenancy agreement or allow occupancy by a Tenant of the whole or any part of the Property (any of the aforesaid being hereinafter referred to as "Renting") without first obtaining the consent in writing of the Chargees, which consent may be refused at the sole discretion of the Chargees; further the Chargor covenants and agrees not to enter into any negotiations with respect to Renting without the consent in writing of the Chargees, which consent may be refused, modified or made conditional at the sole discretion of the Chargees, if a restricted or conditional consent to Renting or negotiations relating to Renting is given, the Chargor covenants and agrees to abide by such restrictions or conditions.
 - b. The Renting of the whole or any part of the Property without the written consent of the Chargees shall be deemed to have been done with the object of discouraging the Chargees from using possession of the Property or default or adversely affecting the value of the Chargees' interest in the Property within the meaning of Section 52(1) of the Mortgages Act.
 - c. In the event that any of the covenants contained in this section shall be breached then, at the option of the Chargees, all monies hereby secured with accrued interest thereon shall forthwith become due and payable.
 - d. If the whole or any part of the Property is rented to a Tenant with or without the consent of the Chargees, then at such time as the Chargees are entitled to enforce their rights under the Charge by reason of default of the Chargor, the Chargees may, at their discretion, pay to any Tenant a sum of money, in such amount as they consider advisable, as consideration for obtaining the cooperation of such Tenant in selling the Property, showing the Property and obtaining possession from the Tenant or for any one or more of the above. It is recognized that the payment of such amount will be a cost of realization on this security and the amount so paid shall be added to the debt hereby secured and be a Charge on the Property and shall bear interest at the rate required by this Charge and shall have priority over all encumbrances subsequent to the Charge and shall be payable forthwith by the Chargor to the Chargees; the Chargor hereby appoints the Chargees to call his true and lawful attorneys and agents to enforce all the terms of any tenancy agreement entered into by the Chargor with respect to all or any part of the Property and to cancel or terminate any such tenancy agreement and in this connection to make, sign and execute any and all documents in the name of the Chargor which they, as Chargees, may consider desirable.
 - e. When used in this section Tenant shall have the meaning set out in Section 2 of the Residential Tenancies Act, 2006, or in the applicable section of its succeeding legislation.

APPOINTMENT OF RECEIVER

20. AT ANY TIME after the security hereby constituted becomes enforceable, or the monies hereby secured shall have become payable, the Chargees may from time to time appoint by writing a Receiver of the Property, with or without Bond, and may from time to time remove the Receiver and appoint

another in his stead, and such Receiver appointed hereunder shall have the following powers:

- (1) to take possession of the Property and to collect and get in the same and for such purposes to enter into and upon any lands, buildings and premises whatsoever and whatsoever and for such purpose to do any act and take any proceedings in the name of the Chargor or otherwise as he/she/it/they shall deem necessary;
- (b) to carry on or concur in carrying on the business of the Chargor, and to employ and discharge agents, workmen, accountants, and others upon such terms and with such salaries, wages, or remuneration as he shall think proper, and to repair and keep in repair the Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Property;
- (c) to sell or lease or concur in selling or leasing any or all of the Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as seen fit by the Receiver and any such sale may be made from time to time as to the whole or any part or parts of the Property; and he may make any stipulations as to title or conveyance or commencement of title or otherwise which he shall deem proper, and he may buy or resell or vary any contracts for the sale of any part of the Property and may resell the same; and he may sell any of the same on such terms as to credit or part cash and part credit or otherwise as shall appear in his sole opinion to be most advantageous and at such prices as can reasonably be obtained therefore and in the event of a sale on credit neither he nor the Chargees shall be accountable for or Charged with any moneys until actually received;
- (d) to make any arrangement or compromise which the Receiver may think expedient in the interest of the Chargees and to consent to any modification or change in or omission from the provisions of this Charge and to exchange any part or parts of the Property for any other property suitable for the purposes of the Chargees and upon such terms as may seem expedient and either with or without payment or exchange of money or regard to the equality of the exchange or otherwise;
- (e) to borrow money to carry on the business of the Chargor and to Charge the whole or any part of the Property in such amounts as the Receiver may from time to time deem necessary and in so doing the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated herein and the amounts from time to time payable under such certificates shall be a Charge upon the Property in priority to this Charge;
- (f) to execute and prosecute all suits, proceedings and actions which the Receiver in his opinion considers necessary for the proper protection of the Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and to appear in any suit, proceeding or action;
- (g) to execute and deliver to the purchaser of any part or parts of the Property, good and sufficient deeds for the same, the Receiver hereby being constituted the irrevocable attorney of the Chargor for the purpose of making such sale and executing such deed, and any such sale made as aforesaid shall be a perpetual bar both in law and equity against the Chargor, and all other persons claiming the Property or any part or parcels thereof by, from, through or under the Chargor, and the proceeds of any such sale shall be distributed in the manner hereinafter provided.

21. No purchaser at any sale purporting to be made in pursuance of the aforesaid power or powers shall be bound or concerned to see or inquire whether any default has been made or continued, or whether any notice required hereunder has been given, or as to the necessity or expediency of the stipulations subject to which such sale shall have been made, or otherwise as to the propriety of such sale or regularity of its proceedings, or be affected by notice that no such default has been made or continued, or notice given as aforesaid, or that the sale is otherwise unnecessary, improper or irregular, and notwithstanding any impropriety or irregularity or notice thereof to such purchaser, the sale as regards such purchaser shall be deemed to be within the aforesaid power and be valid accordingly and the remedy (if any) of the Chargor, or of any party claiming by or under it, in respect of any impropriety or irregularity whatsoever in any such sale shall be in damages only.

22. The net profits of the business of the Chargor and the net proceeds of any sale of the Property or part thereof shall be applied by the Receiver subject to the claims of any creditors ranking in priority to this Charge:

- (i) Firstly, in payment of all costs, charges, and expenses of and incidental to the appointment of the Receiver and the exercise by him of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by him;

- (b) Secondly, in payment of all costs, charges and expenses payable hereunder;
- (c) Thirdly, in payment to the Charges of the principal amount hereunder;
- (d) Fourthly, in payment to the Charges of all interest and arrears of interest and any other monies remaining unpaid hereunder; and
- (e) Fifthly, any surplus shall be paid to the Chargor; provided that in the event that any party claiming a Charge against all or a portion of the surplus, the Receiver shall make such disposition of all or a portion of the surplus as the Receiver deems appropriate in the circumstances.

- 22. The Charges shall not be liable to the Receiver for his/her/its remuneration, costs, charges or expenses, and the Receiver shall not be liable for any loss howsoever arising unless the same shall be caused by his/her/its own gross negligence or willful default and he/she/it shall, when so appointed, by notice in writing pursuant hereto, be deemed to be the agent of the Chargor and the Chargor shall be solely responsible for his/her/its/their acts and defaults and for his/her/its/their remuneration.
- 24. In the event that the Charges shall waive enforcement of any of the covenants, terms and conditions contained herein, or extend time to the Chargor, within which to remedy any such default, then such waiver or extension of time shall not operate as a waiver or as an extension of time for the notification of any of the other covenants terms and conditions of this Charge.
- 25. In the event that any provision contained in this Charge, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, then the remainder of this Charge or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby and each covenant, obligation or provision of this Charge shall be separately valid and enforceable to the fullest extent permitted by law.
- 26. The necessary grammatical changes required to make the provisions of this Charge apply in the plural sense where the Chargor comprises more than one party or entity and to the corporations, associations, partnerships or individuals, males or females, comprising the Chargor, in all cases will be assumed as though in each case fully expressed.
- 27. If conflict or ambiguity exists or arises between any one or more of the provisions contained in this Schedule of Additional Provisions and any one or more of the provisions contained in the Standard Charge Terms, the provisions contained in this Schedule shall, to the extent of such conflict or ambiguity, be deemed to govern and prevail.

I/We have been given a copy of this Schedule to the Charge. My/our solicitor has explained to me/us all of the terms of this Schedule to Charge and I/we understand and accept all of the provisions in this Schedule to Charge.

DATED at Markham, Ont. on 04 day of March, 2021.

TRIUMPH DEVELOPMENT (K BRADFORD TWIN RESIDENCY INC.

Per: 
 Name: Lu Shen
 Title: Director

I have authority to bind the corporation.

Guarantor(s):

**SIGNED, SEALED AND DELIVERED
 IN THE PRESENCE OF**

Witness:




 Yitarong Wang

 Lu Shen

Initial of Chargor/Guarantors 

NOTICE OF TERMINATION

FROM: msi SPERGEL INC., COURT-APPOINTED RECEIVER OF THE PROPERTY OF HIGHYON ASSETS CORP. PURSUANT TO THE ORDER OF THE ONTARIO SUPERIOR COURT OF JUSTICE – COMMERCIAL LIST DATED OCTOBER 16, 2020 (the "Receiver")

TO: YUERONG WANG & LU SHEN (the "Tenant")

RE: RENT ARREARS OWING BY THE TENANT UNDER LEASE WITH HIGHYON ASSETS CORP., DATED JULY 8, 2020 (the "Lease"), WITH RESPECT TO THE PROPERTY AT ROOM 28, SUITE 310, 350 HWY 7 EAST, RICHMOND HILL, ONTARIO L4B 3N2 (the "Premises")

The Tenant is in breach of the Lease for unpaid rent. This is notice to the Tenant that the Receiver has terminated the Lease pursuant to its rights as Receiver.

Take notice that the Receiver has re-entered the Premises and taken possession but, in so doing, expressly preserves its rights to look to the Tenant for all amounts owing at the present time and throughout the balance of the term of the Lease, as well as for all future damages as a result of the Receiver losing the benefit of the Lease over its unexpired term, and all expenses incurred by or on behalf of the Receiver with respect to your default, including, without limitation, all professional and legal fees on a full indemnity basis.

All personal property belonging to the Tenant shall be stored on the Premises for a period of no longer than 30 days from the date of this Notice, after which the Receiver will have such property placed into storage, and will look to the Tenant for all related costs.


If you require access, please contact the Receiver at:

msi Spergel Inc.
 Telephone: 416-644-1669
 Email: sdowney@spergel.ca

Dated at Toronto, Ontario (this 24th day of March, 2021)

msi SPERGEL INC.,
 solely in its capacity as
RECEIVER OF HIGHYON ASSETS CORP.,
 and not in its personal or corporate capacity

Per:


 Mulu Manchanda, CPA, CFP, LLF
 Partner

From: Melina Florez
Sent: Friday, August 19, 2022 2:45 PM
To: Melina Florez
Subject: FW: FW: 2362 Line 8

From: Frank Wang <frankwangprudent@gmail.com>
Sent: Sunday, June 16, 2019 11:19 AM
To: Mehdi Shafiei <mehdi@delbrookhomes.com>
Cc: wilson@triumphantgroup.ca <wilson@triumphantgroup.ca>; Yasaman Shafiei <yasaman@delbrookhomes.com>
Subject: Re: FW: 2362 Line 8

Got it, Mehdi.

I would like to propose that Katie email an updated version after correction of her typos.

Best Regards,

Frank Wang 王富嘉

647 400 0186

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www.premiuminvest.ca

On Thu, Jun 13, 2019 at 8:24 PM <mehdi@delbrookhomes.com> wrote:

Hi Wilson/Frank,

Further to our 2nd pre-consultation meeting with the staff of the Bradford City, please see below the additional documents and studies with guidelines that we have to prepare for the full Site Plan submission.

Thanks,

Mehdi

Mehdi Shafiei

C: 416-803-5527

From: Katie Pandey <kpandey@townofbwg.com>
Sent: June-12-19 4:21 PM
To: rgibson@evansplanning.com; mehdi@delbrookhomes.com
Cc: Ryan Windle <rwindle@townofbwg.com>; Peter Loukes <ploukes@townofbwg.com>
Subject: Re:2362 Line 8

Mehdi and Rob,

As discussed please find the information below:

Parking:

Total parking for residential use = $1.5 \times 239 = 434$ spaces

Plus 0.25 for visitors = $239 \times 0.25 = 60$ spaces

Total parking required for commercial use = $1936 \text{ sqm} / 20 = 97$ spaces

Total parking req = 591 spaces

Total parking provided = 439 spaces.

Amenity Space:

A minimum of 8 – 10 sqm per unit for outdoor amenity space and 2 sqm per unit for indoor amenity space is required.

Please note that balconies, corridor and stairwell could not be counted as indoor amenity space. Amenity spaces are generally defined as “indoor or outdoor spaces on a lot that is communal and available for use by the occupants of a building on the lot for recreational or social activities”.

Shadow Impact Study:

o Shadow Study and Analysis should be conducted for the following dates: June 21, September 21, March 21, and December 21

o At the following times: Solar Noon (SN) • Hourly intervals before and after Solar Noon (SN), up to and including 1.5 hours after sunrise and 1.5 hours before sunset, precise times are given below:

9: 18 am

11: 18 am

1:18 pm

3:18 pm

4:18 pm

6:18 pm

Evaluation:

- 5 consecutive hours of full sunlight should be available on
 - surrounding residential properties during spring, summer, fall; and
 - a minimum of 50% of community outdoor amenity areas throughout all four seasons.

Google Sketch-up model:

Please submit us google sketch up model of shadow study.

County of Simcoe contact regarding garbage pick up:

Anna Dankewich

Planner II

County of Simcoe, Planning, Development and Transit Department

1110 Highway 26, Midhurst, Ontario L9X 1N6

Phone: [705-726-9300](tel:705-726-9300) Ext. 1970 Fax: [705-727-4276](tel:705-727-4276)

Email: anna.dankewich@simcoe.ca

Website: www.simcoe.ca

County of Simcoe policy:

Proper turnaround must be established for collection trucks to maneuver safely within the site. The County's current design standards permit T-turnarounds which allow vehicles to reverse in a 3-point turn, however, trucks cannot reverse more than 20 metres (measured from front wheel to front wheel). A T-turnaround or Cul-de-sac must have a minimum turning radius of 13 metres.

45-degree angular plane theory:

The proposal should ensure the adequate transition from the adjacent lower density neighbourhood is maintained in terms of privacy and shadow by providing a minimum Urban Design Brief whether the proposal conforms to the above mentioned urban design theory.

Bird Friendly Design:

The building should be designed to reduce avian impacts, and provide outdoor lighting in such a way that avian injuries are reduced to minimum. Please include this in the urban design brief that how you are addressing this.

LSRCA Contact:

Shawn Filson, MSc.

Planner 1

Lake Simcoe Region Conservation Authority

120 Bayview Parkway,

Newmarket, Ontario L3Y 3W3

905-895-1281, ext. 229 | 1-800-465-0437 |

s.filson@LSRCA.on.ca | www.LSRCA.on.ca

Hope this helps! Please feel free to contact me in case of any doubt or comments.

Regards,

Katie Pandey, MAES, MCIP, RPP

Senior Planner

Town of Bradford West Gwillimbury

305 Barrie St., Unit 2 | P.O. Box 419 | Bradford, ON | L3Z 2A9

Phone: 905-778-2055, Ext. 1406 | Fax: 905-778-2070

Cell:289-383-6085



From: Melina Florez
Sent: Friday, August 19, 2022 2:45 PM
To: Melina Florez
Subject: FW: 2362 8th Line -
Attachments: 2362 8th Line, Bradford - Site Plan Control - Required & Cash Flow Summary.pdf

From: Mehdi Shafiei <mehdi@delbrookhomes.com>
Sent: Thursday, June 27, 2019 4:05 PM
To: Frank Wang <frankwangprudent@gmail.com>; wilson@triumphantgroup.ca <wilson@triumphantgroup.ca>
Cc: Yasaman Shafiei <yasaman@delbrookhomes.com>
Subject: 2362 8th Line -

Hello All,

Please find attached the summary list of all the documents that is required to be prepared for the 1st Site Plan submission. Please note that I have placed the cash flow for the month of July, August, September and October.

I've also placed the credit amount for the fees that we have already paid or the credit for the reports that requires update.

Please let me know if you have any questions or comments.

Regards,
Mehdi

Mehdi Shafiei
C: 416-803-5527

From: Melina Florez
Sent: Friday, August 19, 2022 2:46 PM
To: Melina Florez
Subject: FW: Model 13 - Bradford

From: Frank Wang <frankwangprudent@gmail.com>
Sent: Friday, July 26, 2019 2:40 PM
To: Mehdi Shafiei <mehdi@delbrookhomes.com>
Cc: wilson@triumphantgroup.ca <wilson@triumphantgroup.ca>; Yasaman Shafiei <yasaman@delbrookhomes.com>; gary@triumphantgroup.ca <gary@triumphantgroup.ca>
Subject: Re: Model 13 - Bradford

I would like to propose that you send one emails instead of 20 small ones in the future.

Best Regards,

Frank Wang 王富嘉

647 400 0186

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www.premiuminvest.ca

On Fri, Jul 26, 2019 at 3:21 AM Mehdi Shafiei <mehdi@delbrookhomes.com> wrote:

Mehdi Shafiei
C: 416-803-5527

From: Melina Florez
Sent: Friday, August 19, 2022 2:44 PM
To: Melina Florez
Subject: FW: 2362 8th Line - 2nd Pre-Consultation Meeting -
Attachments: Email to Bradford - Jul 3, 2019.pdf; Meeting Minutes - Pre-Con (2) Meeting July 3, 2019.docx; Pre-Consultation Circulation Memo (2362 Line 8) December 13, 2018.pdf; 2362 Line 8.pdf; Complete Application Checklist - SPA.pdf; Email From Katie 1.jpg; Email From Katie 2.jpg

From: Mehdi Shafiei <mehdi@delbrookhomes.com>
Sent: Wednesday, July 3, 2019 5:29 PM
To: gary@triumphantgroup.ca <gary@triumphantgroup.ca>; wilson@triumphantgroup.ca <wilson@triumphantgroup.ca>
Cc: Ali Shafiei <ali@delbrookhomes.com>; Yasaman Shafiei <yasaman@delbrookhomes.com>; Frank Wang <frankwangprudent@gmail.com>
Subject: 2362 8th Line - 2nd Pre-Consultation Meeting -

Good afternoon All,

Further to our meeting yesterday and the required minutes of meeting, please find attached the following information attached:

1. The email to the Town of Bradford where the Minutes of meeting for June 12th, 2019 meeting (2nd Pre-Consultation) is attached.
2. Copy of the minutes meeting that was circulated to the Town of Bradford too.
3. The copy of the Pre-Consultation memo that was circulated internally by the Town of Bradford on December of 2018.
4. The copy of the presentation deck that was used in the first pre-consultation meeting on Feb 11, 2019.
5. The copy of the complete application check list that was provided to us by the Town of Bradford after the 1st Pre-Consultation meeting.
6. The email that was provided after the 2nd pre-consultation meeting by the Bradford which indicates more details on the submission that we have to do for the complete site plan submission.

Please note that we also have the comments from different departments of Town of Bradford as well as external agencies which I will send via separate email.

Please do not hesitate to contact me if you have any questions or concerns.

Regards,
Mehdi

Mehdi Shafiei
C: 416-803-5527

**PROJECT MANAGEMENT AGREEMENT BETWEEN OWNER
AND DEVELOPER AS PROJECT MANAGER**

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Schedule "A"

PROJECT MANAGEMENT AGREEMENT

THIS AGREEMENT made effective as of the 8 day of June, 2017

BETWEEN

TRIUMPH DEVELOPMENT HK – BRADFORD TWIN REGENCY INC.

(the "Owner"),
OF THE FIRST PART

AND

MONTANARO PROJECT MANAGEMENT PROFESSIONAL INC.

(the "Project Manager")
OF THE SECOND PART

WHEREAS

- A. The Owner is the beneficial owner of certain lands and premises described in Schedule "A" (the "Development Lands"), title to the proposed residential and commercial components of which are held by the Nominee Company ("Nominee"), as nominee or trustee for the Owner
- B. The Owner wishes to cause all of the Development Lands to be developed by having improvements (as hereinafter defined) constructed thereon in accordance with plans and specifications hereinafter agreed to; and
- C. The Owner has agreed to engage the Project Manager to perform certain duties in connection with the development of the Development Lands and in consideration of the fees and reimbursable costs hereinafter mentioned.

NOW THEREFORE in consideration of the premises and the mutual covenants, agreements and conditions herein contained, it is hereby covenanted, agreed and declared as follows:

**ARTICLE 1
DEFINITIONS**

1.1. **Definitions.** For all purposes of this Agreement and of all indentures, agreements or other instruments supplemental hereto or in confirmation, amendment or modification hereof now or hereafter entered into in accordance with the provisions hereof, the terms defined in this Article shall have the following meanings unless the context expressly or by necessary implication otherwise requires:

- (1) **"Agreement"** means this agreement and all indentures, agreements or other instruments supplemental hereto or in confirmation, amendment or modification hereof;
- (2) **"Approved" or "Approval" or "Approved by the Owner" or "Approval of the Owner" or "Owner's Approval"** means approved in writing by the Owner (or the general partners thereof) or deemed approved by any express deeming provisions in this Agreement;
- (3) **"Business Plan"** means, with respect to the Development, each of the business plans regarding the development, construction and completion of any residential, commercial or other buildings thereon (which shall incorporate all applicable Direct Construction Costs) to be prepared by or on behalf of the Project Manager and Approved by the Owner (or the general partners thereof), as the same may be amended from time to time by the Owner;
- (4) **"Development"** means the Development Lands and the improvements;
- (5) **"Development Lands"** has the meaning given to it in the recitals hereof;
- (6) **"Direct Construction Costs"** means all direct costs of on-site construction of the Development, including applicable taxes thereon, and without limitation shall include: all sums payable under all contracts entered into or executed by the Owner or the Nominee

with the Approval of the Owner or by Project Manager with the Approval of the Owner for the supply of all labour, materials, equipment and construction management services necessary to construct the Improvements; building permit fees; performance bond premiums; commercial general liability, builder's risk and other customary insurance premiums; site preparation, including the demolition of existing structures and improvements; off-site works which the Owner is obligated to construct including road improvements, sidewalks and services; the payroll cost of employees of the Project Manager if Approved by the Owner (other than one on-site person at a daily rate of 150% of payroll during those working days that the employee has been assigned to full-time "on-site" duties in the project office) and other costs of a similar construction project but not otherwise and costs associated with an office devoted solely and directly to the construction of Improvements, whether or not such office is on the Development Lands. Except as hereinbefore provided Direct Construction Costs shall not include any of the internal or head office expenses incurred by the Project Manager in performing its management, development, accounting or administrative duties and functions in respect of the Development, nor shall they include any of the internal or head office salary costs of its own employees, nor costs such as telephone, office rentals, utilities, travel and similar administrative costs which are in their general nature internal or head office expenses. Without limiting the generality of the aforesaid definition of Direct Construction Costs, such costs should include all costs with respect to servicing of the Development Lands and repair of any existing heritage structures located thereon as required by any municipal authority in connection with the construction of Improvements thereon and includes all costs incurred with respect to performance of the Project Manager's Duties as set forth in ARTICLE 2 hereof;

- (7) **"Estimated Direct Construction Costs"** means the aggregate estimated amounts of all components qualifying as Direct Construction costs contained in the Project Management Schedule and Business Plan as they may be from time to time adjusted and submitted by

the Project Manager to and Approved by the Owner plus additional estimated costs Approved by the Owner;

- (8) **"Improvements"** means all buildings, fixed improvements, appurtenances, facilities and all other property, whether real or personal, including fixtures and equipment, now or hereafter located on the Development Lands or any portion or portions thereof or acquired in connection with the Development and includes any additions thereto or replacements thereof and shall further include all other personal property, studies, plans, drawings and specifications, approvals and documents relating to the Development provided that nothing herein contained shall be deemed to include property, fixtures and equipment owned by a tenant within the Development;
- (9) **"Major Cause"** means: (a) failure of the Project Manager to perform its duties and obligations under this Agreement to the extent that the cost, development, planning or construction of the Development is materially increased, hindered or delayed as a result thereof;
- (10) **"Project Account"** means the bank account established by the Project Manager for the purposes of administering payments made to the Project Manager by Owner and payments made by the Project Manager in connection with the Development;
- (11) **"Project Management Period"** means that period commencing on the day of execution of this Agreement and expiring on Substantial Completion of the Development;
- (12) **"Project Management Schedule"** means the estimated development schedule for the Development contemplated in subsection 2.1(6);
- (13) **"Substantial Completion"** means completion of construction to a point at which the residential buildings comprising the Development have been certified in writing by the architect or engineer retained in respect of the construction to be substantially completed and generally ready for sales closings to purchasers and in the case of the commercial

component of the Development completion of buildings to permit occupancy by tenants;
and

- (14) "Unavoidable Delay" means any prevention, delay, stoppage or interruption in the performance of any obligation of a party hereto due to a strike, lockout, labour dispute, act of God, inability to obtain labour materials, laws, ordinances, rules, regulations or orders of governmental authorities, enemy or hostile action, civil commotion, act of terrorism, fire or other casualty or any condition or cause beyond reasonable control of the party obligated to perform, ~~but shall not include any inability by the party to perform because of its lack of funds.~~

ARTICLE 2 PROJECT MANAGER'S DUTIES AND POWERS

2.1. **Project Manager's Duties.** The Owner hereby engages the Project Manager and authorizes it to perform the following duties in connection with the servicing and development of the Development Lands and construction of the Improvements upon the Development Lands or parts thereof:

- (1) Plans - Supervising the preparation of plans and specifications pertaining to the development of the Development Lands and the construction of the Improvements;
- (2) Permits - The direct acquisition of (or supervision of consultants or trade contractors in the acquisition of) all licences and permits as are necessary to permit servicing and development of the Development Lands, including without limitation building permits;
- (3) Government Liaison - The negotiation for and procurement of any necessary municipal, statutory or other governmental approvals and necessary third party approvals for the development of the Development Lands including, if necessary, zoning amendments, consents to sever, formation of a common elements condominium corporation and preparation and registration of a plan of subdivision or registration of a part lot control by-law with respect to the Development Lands;

- (4) Studies, etc. - The preparation of all municipal reports, studies, financial projections, analyses and budgets as may be necessary in connection with the development of the Development Lands;
- (5) Contracts - The negotiation of the usual construction industry contracts for the development of the Development Lands including without limitation architectural, engineering, landscaping and consulting contracts with professional firms approved by the Owner, such contracts to include provision for the preparation of design plans and specifications for, and inspection services relating to, the development of the Development Lands and contracts for the installation of municipal services required for the development of the Development Lands including connecting any buildings to such services. All such contracts shall be executed by the Owner or the Nominee unless they otherwise direct the Project Manager to enter into such Contracts as agent for the Owner. Notwithstanding the foregoing, the Owner shall not be bound to execute nor shall it be bound by the terms and conditions of contracts for the development of the Development Lands negotiated by the Project Manager unless:
- (a) the Owner has first Approved such contracts as negotiated; or
 - (b) such contracts involve expenditures not to exceed those provided for such contracts in the Project Management Schedule and Business Plan which have been Approved by the Owner;

Without limiting the generality of 2.1(5) as above, the obtaining of all material contracts to be entered into by the Owner for the development of the Development Lands includes, without limitation, a sales agent agreement, the architectural and engineering contracts referred to above, the checking, inspection and approval for payment of progress draws and land development accounting;

- (6) Timing Schedules, Business Plan, Pro Formas - The preparation and submission to the Owner for Approval of the Project Management Schedule and Business Plan, it being agreed that the Project Management Schedule and Business Plan may be adjusted from time to time as changes are made from time to time in the concept and scope of the Development as Approved by the Owner and that such adjustments shall be submitted to the Owner for Approval;
- (7) Insurance - The negotiation and obtaining of such policies of insurance as the Project Manager considers necessary or desirable to protect the Owner (including the Nominee) and its property and interest from liability, damage or loss, including builders' risk insurance, liability insurance and construction liability insurance, except such policies of insurance as the Owner elects to negotiate for and procure on its own behalf. The Project Manager shall send a copy of each such policy if negotiates and obtains to the Owner and shall review the contents thereof with the Owner as to the amount and scope of coverage. The Owner shall be deemed to have Approved each such policy unless, within thirty (30) days after receipt and review thereof with the Project Manager, it shall by notice in writing advise the Project Manager of its disapproval thereof and the reasons therefor. The Owner shall provide the Project Manager with sufficient funds to pay the premium charged by the insurer for the Approved policy. The Project Manager shall not be liable or responsible in any way for any damage or liability which may be sustained by the Owner by reason of the inadequacy in the amount, type or duration of such Approved or deemed Approved insurance coverage or by reason of the provisions contained in or omitted from any such Approved or deemed Approved insurance contract but shall be liable for a lapse or termination of such Approved contract when the lapse or termination has not been approved by the Owner and is due to the negligence of the Project Manager. The Owner further agrees that all contracts for third party or public liability insurance shall be so written as to protect the Project Manager in the same manner and to the same extent that they protect the Owner;

- (8) *Accounting and Project Account*- The providing of all reasonable accounting services as are required for the satisfactory and expeditious planning, construction and development of the Development; the administration of funds deposited in and paid out of the Project Account (including retention of required statutory lien holdbacks); and the submission to the Owner of regular and timely cost reports as well as additional cost reports ten (10) days after request by the Owner, provided that such request is reasonable;
- (9) *Financing* - The use of all reasonable efforts to negotiate and submit to the Owner for Approval, proposed interim and permanent financing and the implementation thereof. Fees payable to third party brokers for negotiating interim and permanent financing and/or implementing the same, which have been Approved by the Owner or are referred to in Business Plans which have been Approved by the Owner, shall be at the expense of the Owner;
- (10) *Carrying Costs* - The arrangement for payment on behalf of the Owner from the Project Account from funds provided by the Owner of all mortgage debt service, land carrying costs, interim financing costs and other such non-construction costs as may permit the Development Lands to be held and developed as aforesaid;
- (11) *Construction Activities* - The making of recommendations of appropriate candidates to be retained by the Owner for construction management supervision and on-site oversight; the Owner expressly acknowledging that project on-site oversight and construction management supervision is not part of the duties of the Project Manager;
- (12) *Reports* - The preparation and submission of periodic reports as reasonably required by the Owner on the progress of the development of the Development (including construction progress) in conformity with Approved Business Plans and the Project Management Schedule;
- (13) *Accounts and Records* - The maintenance in its office in the City of Markham or in another location approved by the Owner of appropriate and proper books of account and

records with respect to the development of the Development Lands and all transactions entered into in performance of the Project Manager's obligations hereunder. The Owner and any person or firm appointed by it shall have the right at reasonable times and intervals to cause to be made inspections of such books and records and to make copies of the same. All such books and records shall be considered to be the property of the Owner except that the Project Manager may make copies thereof for its own purposes;

- (14) Tarion--The registration of the Nominee under the *Ontario New Home Warranties Plan Act* (the "NHW Act") as a registered Vendor and/or Builder and the maintenance of such registration in good standing until the completion of all sales of residential buildings in the Development and expiry of any periods during which such registration must be continued under the NHW Act and regulations promulgated thereunder;
- (15) HST—preparation on a timely basis of all HST filings on behalf of the Owner relating to the Development and arrange for the deposit into the Project Account of any refunds relating thereto;
- (16) General - The carrying out of such other duties (excluding on-site construction management, construction management supervision and/or oversight of construction during the servicing of the Lands and construction of the Improvements thereon and excluding sales and/or leasing), as are normally carried out by a developer in connection with the development of a Project of the size, type and location of the Development, to the point where the Improvements are ready for closings to purchasers, to the intent that the Project Manager shall use commercially reasonable efforts to cause the Development Lands to be developed, all in conformity with the requirements of applicable statutes, laws, bylaws and ordinances.

2.2. Project Manager's Representatives. The Project Manager shall appoint a representative and alternate representative acceptable to the Owner to act on behalf of the Project Manager in respect of its duties hereunder. The first appointee shall be Mr. Mohammad Mehdi Haj-Shafiei

and the alternative Mr. Da Zhang, each of whom are hereby Approved by the Owner. The representative and alternate representative appointed pursuant to this paragraph shall be given full power to act on behalf of and to bind the Project Manager in the performance of its duties hereunder and shall devote the time necessary to fulfill the obligations of the Project Manager hereunder. The Owner shall have the right to require that the above representative and alternate representative be replaced or to appoint additional representatives if it considers it in the best interest of the development of the Development Lands.

ARTICLE 3 PROJECT MANAGER'S FEES

- 3.1. Project Manager's Fees.** The Owner covenants and agrees to pay to the Project Manager for the services performed by it pursuant to this Agreement the following fees:
- (1) The sum of \$ 3,000.00 Dollars per month payable monthly in arrears with the first payment due and payable one month following the date hereof (the "Monthly Fixed Amount"); which Monthly Fixed Amount shall be treated as advance payments on account of, and credited against, any amounts payable under Section 3.1(2); and
 - (2) An amount equal to 8% percent of the Servicing and Building Hard Cost derived from the Development Lands.
- 3.2. Disbursements and Additional Fees.** In addition to the fees and disbursements payable to the Project Manager pursuant to Section 3.1 the Owner shall reimburse the Project Manager, within five days after the Project Manager has delivered invoices therefor, all reasonable out-of-pocket expenses and all disbursements incurred by the Project Manager on the Owner's behalf hereunder, including without limitation travel costs of Project Manager's employees, advertising costs, building promotions, consulting fees and legal costs. The Reimbursement amounts must be identified in the estimation provided to the Owner and there shall be enough reasonable notices for any other amounts in order to be reimbursed.

ARTICLE 4
TERM

4.1. **Term.** This Agreement shall commence as of the date hereof and unless otherwise terminated in accordance with the provisions hereinafter contained, shall continue in full force and effect until expiry of the Project Management Period plus an additional period for the rectification of all deficiencies and the payments under sections 3.1 and 3.2.

(1) **Termination.** It is agreed that the Owner may, upon thirty (30) days' notice delivered to the Project Manager, require that this Agreement be terminated for Major Cause unless such breach is cured by the Project Manager within such 30 day period; provided that, in the event of any termination by reason of subsection 1.1(9), any dispute between the parties hereto as to whether or not such Major Cause exists which may permit the termination of this Agreement shall be resolved by arbitration pursuant to Section 5.9, and if such arbitration proceeding determines that Major Cause exists, this Agreement shall automatically terminate as of the date of the arbitration decision. In the event of the existence of Major Cause, the Owner shall not be entitled to require termination if the Owner expressly approved or acquiesced in the conduct constituting such Major Cause.

(2) **Default by Project Manager.** In the event that the Project Manager fails to diligently and properly perform its duties under this Agreement, then the Owner, in addition to any other rights it has, while such event continues, may give notice of such failure to the Project Manager, and if such failure shall not be cured by the Project Manager within thirty (30) days and if two (2) such notices are given within any consecutive twelve (12) month period, then the services of the Project Manager shall forthwith be terminated (but without prejudice to any other remedies which the Owner may have) without further notice or other form of legal process whatsoever. Notwithstanding the foregoing, any default by the Project Manager which constitutes or involves fraud or theft shall permit the Owner to immediately terminate this Agreement by written notice to the Project Manager.

- (3) **Sale of Development.** In the event that the Owner sells or otherwise transfers all of its interest in and to the Development, to a bona fide arms-length third party, at fair market value, the Project Manager may, at its option, terminate this Project Management Agreement.
- (4) **Owner Default.** If at any time the Owner shall have failed to make any payment to which the Project Manager shall be entitled under this Agreement or the Owner shall have failed to give such directions as may properly be requested or required by the Project Manager for the performance of its covenants, obligations and agreements contained in this Agreement, the Project Manager may give written notice (the "Notice") to the Owner specifying in reasonable detail the matter complained of. If within 15 days of receipt of any Notice the Owner fails to cure the matter complained of in a reasonable manner, or fails to take reasonable steps to procure and give reasonable assurances to the Project Manager that such matter will be cured or rectified or removed within a reasonable period of time, the Project Manager may deliver a written notice ("Notice of Termination") to the Owner stating that this Agreement is terminated. Such termination shall be effective 30 days after the date on which the Notice of Termination was given to the Owner.

In the event of termination under any of the foregoing clauses (other than fraud or theft by Project Manager), the Owner shall pay the Project Manager:

- (a) the Monthly Fixed Amount up to the date of termination; and
- (b) the Participation Amount, as shall be mutually agreed to by the Owner and Project Manager based on their reasonable estimate of the fair market value of the Lands and other assets of the Owner at the date of termination as compared to the costs thereof or failing mutual agreement, the Participation Amount shall be determined by Arbitration; provided the Arbitrator(s) shall in this case be recognized Construction Cost Management Consultants or Financial Management Consultants and/or accountants well versed with regard to construction practices.

- (5) **Insolvency.** The Owner or the Project Manager may immediately terminate this Agreement on written notice to the other (the "insolvent party") in the event that the insolvent party shall make a general assignment for the benefit of creditors or shall be adjudicated a bankrupt or insolvent or file a voluntary petition or answer seeking reorganization or an arrangement with its creditors or have a receiver or receiver/manager appointed with respect to a substantial portion of its assets (or, in the case of the Owner, the Development Lands) or take advantage of any bankruptcy, solvency, dissolution or liquidation law or analogous statute.
- (6) **Deliveries.** After the termination date, the Project Manager shall:
- (a) within five (5) Business Days, pay over to the Owner all moneys, if any, collected and held for them pursuant to this Agreement after deducting any approved and accrued compensation and reimbursement for its approved costs, third party fees or expenses with respect to the Development Land for which it is responsible and entitled to reimbursement hereunder;
 - (b) within five (5) Business Days, deliver to and, where applicable, transfer into the name of the Owner or as it may in writing direct, all property and other assets and documents (including, without limitation, leases) then in the custody of the Project Manager;
 - (c) within fifteen (15) Business Days, deliver to the Owner a full accounting, including a statement showing all payments collected or paid by the Project Manager and a statement of all monies held by it during the period following the date of the last accounting furnished to the Owner and turn over to it all records and books of account relating to the Owner's property and assets;
 - (d) if the Owner so requests, and subject to receiving the indemnity of the Project Manager to Owner's satisfaction within three (3) Business Days of such request, assign to the Owner such contracts, if assignable, as Owner it directs to be

assigned to it and as may then be in existence between the Project Manager and third parties in respect of the Property; and

- (e) give such notices to third parties concerning the termination as may be reasonably required by the Owner, with three (3) Business Days of such requests.

ARTICLE 5 MISCELLANEOUS

- 5.1. **Standard of Performance.** The Project Manager acknowledges and agrees to perform the services and functions to be performed by it hereunder in a diligent and efficient manner in keeping with the standards of the industry therefor. In carrying out its duties and obligations under this Agreement the Project Manager will not be responsible for matters beyond its reasonable control or for matters involving the expenditure of funds which are not made available by the Owner, and it is understood that the responsibility of the Project Manager in performing the services and functions mentioned shall be limited in each case to exercising in such performance the same degree of care and skill as would be exercised by a reasonable and prudent person who is experienced in performing like services and functions.
- 5.2. **Independent Contractor.** The Project Manager and Owner acknowledge that the Project Manager shall undertake its duties hereunder as an independent contractor and not as agent or in any other way representative of the Owner except as herein provided. It is further acknowledged that nothing in this Agreement nor in any acts of the parties hereto shall be deemed to create a partnership relationship between the Project Manager and the Owner.
- 5.3. **Owner Expenses.** All expenses in carrying out the provisions of this Agreement and/or with respect to servicing of the Lands, construction of the Improvements, leasing and/or sale of all aspects of the development and maintenance and operation of the investment (except for those expenses identified in the definition of Direct Construction Costs that are the responsibility of the Project Manager) shall be for the account of the Owner and shall be paid by it on a timely basis.

as required by the contract or invoice rendered to the Owner with respect thereto. All expenses in carrying out the provisions of this Agreement and/or with respect to servicing of the Lands, construction of the Improvements, leasing and/or sale of all aspects of the development and maintenance and operation of the investment (except for those expenses identified in the definition of Direct Construction Costs that are the responsibility of the Project Manager) shall be for the account of the Owner and shall be paid by it on a timely basis as required by the contract or invoice rendered to the Owner with respect there.

- 5.4. **Project Manager Services Non-Exclusive.** The Project Manager shall devote such time as is reasonably necessary to carry out its duties hereunder. The Owner acknowledges that the Project Manager is not bound to provide services exclusively to the Owner and that the Project Manager may exercise its rights hereunder even if the Project Manager and/or its principals or its appointees set forth in Section 2.2 hereof are, by affiliates or related companies also engaged in the provision of project management, development services and construction projects or is engaged by others in a capacity similar to its engagement hereunder and even if such involves participation in business ventures which could be considered competitive to the business of the Owner.
- 5.5. **Confidentiality.** The information received by the Project Manager as a result of and pursuant to this Agreement shall not be disclosed by the Project Manager to any person except to others with the written consent of the Owner or unless disclosed to consultants or experts retained in anticipation of legal proceedings or disclosed in legal proceedings between the parties hereto.
- 5.6. **Indemnity by Owner.** The Owner agrees to indemnify the Project Manager and those for whom it is in law responsible from and against any action, cause of action, suit, debt, loss, liability, damage, claim or demand by third parties arising from the performance of the duties of the Project Manager under this Agreement, if carried out in good faith and in accordance with its scope of authority under this Agreement, and except those arising from the negligence or misconduct of the Project Manager or those for whom it is legally responsible.

- 5.7. **Indemnity by Project Manager.** The Project Manager agrees to indemnify and save the Owner harmless in respect of any action, cause of action, suit, debt, loss, liability, damage, cost, expense, claim or demand whatsoever, at law or in equity, arising out of or by reason of:
- (a) any breach during the term hereof by the Project Manager, its employees or agents, or other Person for whom it is responsible of any of the provisions of this Agreement; or
 - (b) any negligent or deliberate wrongful act of the Project Manager, its employees or agents, or other Person for whom it is responsible or any action by the Project Manager which is an Event of Default.
- 5.8. **Successors.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 5.9. **Arbitration.** Wherever in this Agreement it is provided that any issue is to be, or may be, determined by arbitration or, in the event of any other dispute between the Owner and the Project Manager, the same shall be determined by a single arbitrator. The Owner and the Project Manager shall appoint such single arbitrator. If either the Owner or the Project Manager refuses or neglects, within a period of five days of having been requested to do so, to agree to the appointment of such single arbitrator, then the Owner and the Project Manager shall each provide a list of a maximum of three candidates for the appointment of such arbitrator within the further period of five days. The single arbitrator shall be appointed from the names of candidates so provided upon application by either the Owner or the Project Manager to a Judge of the Superior Court of Justice of the province of Ontario. If either the Owner or the Project Manager refuses or neglects to provide such list of candidates then the arbitrator shall be appointed from the list provided by the other. The award or determination made by the said arbitrator shall be final and binding upon the parties, their successors and assigns, and the provisions of this Section shall be deemed to be a submission to arbitration within the provisions of the Arbitration Act and any statutory modification or re-enactment thereof, provided that any limitation on the remuneration of the arbitrator imposed by such legislation shall not be applicable.

- 5.10. **Unavoidable Delay.** Whenever in this Agreement it is provided that anything be done or performed and the doing or performance thereof be impossible due to Unavoidable Delay, neither the Owner nor the Project Manager shall be regarded as being in default in the performance of any obligation hereunder during the period of any Unavoidable Delay relating thereto and each of them shall notify the other of the commencement, duration and consequences (so far as the same is within the knowledge of the party in question) of any Unavoidable Delay affecting the performance of any of its obligations hereunder.
- 5.11. **Owner's Approval.** The Project Manager hereby acknowledges and agrees that any Approvals required by the Owner hereunder may be arbitrarily withheld by the Owner; provided such arbitrary withholding of Approval shall be bona fide and based on the merits of the proposed act, course of action or matter for which approval is required of the Owner; and provided further that any of the duties of the Project Manager hereunder which cannot be performed until such Approval has been obtained need not be performed until the Approval of the Owner has been obtained; and provided further that where the Owner refuses to approve any submission of the Project Manager requiring Approval hereunder, the Project Manager shall diligently make all changes and amendments to such submission as may be reasonably required by the Owner and shall re-submit the amended submission for approval by the Owner to the intent that the development of the Development shall proceed as expeditiously as possible.
- 5.12. **Unreasonable Delay of Consent or Approval.** Subject to section 5.11 above, whenever it is provided herein that a consent, decision or other action shall be obtained from the Owner, such expression shall be deemed to include a requirement that such consent, decision or other action or refusal thereof shall not be unreasonably delayed.
- 5.13. **Severable Covenants.** If any provision of this Agreement is unenforceable or invalid for any reason whatever, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions of this Agreement and such provision shall be severable from the remainder of this Agreement.

- 5.14. **Rights and Termination.** The expiry or termination of this Agreement for any reason shall be without prejudice to the rights of either party hereto against the other and shall not relieve either party of any of its liabilities hereunder.
- 5.15. **Waiver.** Any failure of the Owner to insist upon strict compliance with any of the terms and conditions of this Agreement shall not be construed as a waiver of such terms and conditions and agreements or of the right of the Owner to insist at any time hereafter upon such strict compliance.
- 5.16. **Notices.** Any notice or other communication to be given under this Agreement by a party to another shall be delivered by hand to the addressee, or, if the addressee is unavailable, to a responsible employee or agent of the party by whom the addressee is employed. Such notice or other communication shall be addressed as follows:

If to the Owner

Bradford Development Inc (To be Incorporated)
Mrs. Yuerong Wang

If to the Management Company

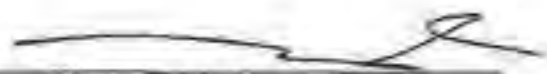
7181 Woodbine Ave, Unit 112
Markham, ON L3R 1A3

- 5.17. **Governing Law.** This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the Province of Ontario. It sets forth the entire agreement between the parties concerning the subject matter hereof and any amendment, waiver or discharge shall be made only in writing signed by all parties. The Section headings shall be relevant to the interpretation hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the 8 day of June, 2017.

TRIUMPH DEVELOPMENT HK BRADFORD TWIN
REGENCY INC.

Per: 
Name: DA ZHANG
Title: ASO CEO

MONTANARO PROJECT MANAGEMENT
PROFESSIONAL INC.

Per: 
Name: MEHDI SHAFIQ
Title: A.S.O.

**SCHEDULE "A"
LEGAL DESCRIPTION**

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 11, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: Acceptance of the Contract from Terrapex for the Geotechnical Investigation and Hydrogeological Review – For 2362 8th Line, Bradford
Contract Date: September 26, 2019

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING


O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated September 26, 2019 submitted by Terrapex Environmental LTD, 90 Scarsdale Road, Toronto, ON, M3B 2R7, for 2362 8th Line, Bradford Development Geotechnical Investigation and Hydrogeological Review. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with Terrapex Environmental LTD on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 50% deposit in the amount of \$ 21,425 upon signing this contract.

Yours Sincerely,



Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with Terrapex Environmental LTD)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature

Date

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 3, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: Terrapex 接受岩土勘测和水文地质审查的合同 2362 8th Line, 布拉德福德 合同日期
2019 年 9 月 26 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史，他们将管理日常业务，而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示，他是 Triumph Development HK Bradford Twin Regency Inc. 的所有者和董事，该公司拥有 Bradford 镇的主题土地，沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序，以甄选顾问。他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph，并得出了关于比较顾问建议书的讨论。结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外，凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外，凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

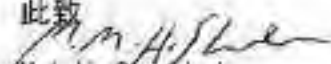
此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证，可以按照 Delbrook Consulting (O/A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配署可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求，沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟信先生和 Triumph Development HK Bradford Twin Regency Inc. 已审查了 Terrapex Environmental LTD 于 2019 年 9 月 26 日在加拿大安大略省 Thornhill Commerce Valley Drive West 100 的 L3T 0A1 提交的提案和合同 2362 第八条线，布拉德福德发展交通研究。此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O/A 10853828 Canada Inc) 代表该项目与 Terrapex Environmental LTD 签订协议。

此外，沉伟森先生和凯旋发展香港布拉德福德双子公司将在签署本合同后提供 50% 的定金，金额为 21,425 美元。

此致



Mehdi Shafiei

被接受：

（签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O/A 10853828 Canada Inc.) 进行此项工作，并与 Terrapex Environmental LTD 约束该协议。）

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 14, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from LLOYD & PURCELL for the Land Survey and Topographical Survey – For 2362 8th Line, Bradford
Contract Date: December 13, 2019**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated September 24, 2019 submitted by LLOYD & PURCELL, 1228 Gorham Street, Unit 28, Newmarket, ON L3Y 8Z1, for Bradford Land Survey and Topographical Survey. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with LLOYD & PURCELL on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 50% deposit in the amount of \$ 3,390 upon signing this contract.

Yours Sincerely,

Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with LLOYD & PURCELL)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 14, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: 接受 LLOYD 和 PURCELL 的土地测量和地形测量合同—布拉德福德 8362 号线 合同

日期: 2019 年 12 月 13 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理, Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史, 他们将管理日常业务, 而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示, 他是 Triumph Development HK Bradford Twin Regency Inc. 的所有者和董事, 该公司拥有 Bradford 镇的主题土地, 沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序, 以甄选顾问, 他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph, 并得出了关于比较顾问建议书的讨论, 结论是 Triumph 有权根据自己的喜好为每个学科选择顾问, Delbrook 将签订合同。此外, 凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件, 此外, 凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证 - 可以按照 Delbrook Consulting (O / A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O / A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求，沉伟森先生和/或 Triumph Development 对此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未缴还款项，每年将计算 24% 的利息。

这是为了确认沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 已审阅了 LLOYD & PURCELL 于 2019 年 9 月 24 日提交的提案和合同，该合同由 LLOYD & PURCELL 位于 1228 Gorham Street, Unit 28, Newmarket, ON L3Y 8Z1 为 Bradford 提供土地测量和地形测量。此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O / A 10853828 Canada Inc.) 代表该项目与 LLOYD & PURCELL 签订协议。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 将在签署本合同后提供 50% 的押金，金额为 \$ 3,390。

此致

Mehdi Shafiei

被接受：

(签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O / A 10853828 Canada Inc.) 进行此项工作，并与 LLOYD & PURCELL 约束该协议。)
Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 30, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: Acceptance of the Contract from Altus Group Limited for the Cost Consultant – For 2362 8th Line, Bradford
Contract Date: September 20, 2019

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated September 20, 2019 submitted by Altus Group Limited, for Bradford Cost Consultant Budget. Also, Mr. Wilson Shen and Triumph Development HK acknowledge that there are further disbursements in addition to these contracts and they agree to pay the required fees. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with Altus Group Limited on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 50% deposit in the amount of \$ 2,500 upon signing this contract.

Yours Sincerely,

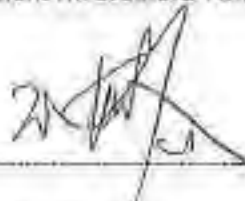
Mehdi Shafiei

ACCEPTED BY:

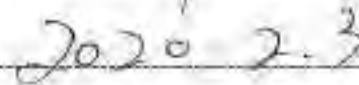
(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with Altus Group Limited)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature



Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
 T: 647-930-8548
 T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 30, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

接受 Altus Group Limited 的成本顾问合同-布拉德福德 8362 Line 8 Line

合同日期：2019 年 9 月 20 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史。他们将管理日常业务，而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示，他是 Triumph Development HK Bradford Twin Regency Inc 的所有者和董事，该公司拥有 Bradford 镇的主题土地。沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序，以甄选顾问，他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph，并得出了关于比较顾问建议书的讨论，结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同，此外，凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外，凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

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DELBROOK CONSULTING

O/A 10853828 Canada Inc.

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证，可以按照 Delbrook Consulting (O/A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求。沉伟森先生和/或 Triumph Development 对此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 已经审核了 Altus Group Limited 提交的 2019 年 9 月 20 日的提案和合同，以用于 Bradford Cost Consultant Budget。此外，沉伟信先生和凯旋发展香港公司承认，除了这些合同之外，还有其他付款，他们同意支付所需的费用。此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O/A 10853828 Canada Inc) 代表该项目与 Altus Group Limited 签订协议。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 将在签署本合同后提供 50% 的押金，金额为 2,500 美元。

此致

Mehdi Shafiei

被接受：

(签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O/A 10853828 Canada Inc.) 进行此项工作，并与 Altus Group Limited 约束该协议。)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 30, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from Socia Professional Engineers for the Structural Engineer –
For 2362 8th Line, Bradford
Contract Date: January 22, 2020**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated January 22, 2020 submitted by Soscia Professional Engineers Inc. for Bradford Structural Engineer Design. Also, Mr. Wilson Shen and Triumph Development HK acknowledge that there are further disbursements in addition to these contracts and they agree to pay the required fees. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with Soscia Professional Engineers Inc. on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 25% deposit in the amount of \$ 28,375 upon signing this contract.

Yours Sincerely,

Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with Soscia Professional Engineers Inc.)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 30, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

接受 Soccia 专业工程师的结构工程师合同-布拉德福德 2362 8th Line 合同日期: 2020 年 1 月 22 日

这是为了确认 Delbrook Consulting, (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史, 他们将管理日常业务, 而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示, 他是 Triumph Development HK Bradford Twin Regency Inc. 的所有者和董事, 该公司拥有 Bradford 镇的主题土地。沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序, 以甄选顾问, 他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph, 并得出了关于比较顾问建议书的讨论。结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外, 凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外, 凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

此外, 沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证, 可以按照 Delbrook Consulting (O / A 10853828 Canada Inc.) 的要求及时签发所有

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凱旋发展香港布拉福德双子攝政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求，沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 已审核了 Soscia Professional Engineers Inc 提交的 2020 年 1 月 22 日的建议和合同，内容涉及 Bradford 结构工程师设计。此外，沉伟信先生和凱旋发展香港公司承认，除了这些合同之外，还有其他付款，他们同意支付所需费用。此外，沉伟信先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O/A 10853828 Canada Inc.) 代表与 Soscia Professional Engineers Inc. 签订协议，以该项目

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 将在签署本合同后提供 25% 的押金，金额为 28,375 美元。

此致

Mehdi Shafiei

被接受：

(签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O/A 10853828 Canada Inc.) 进行此项工作，并与 Soscia Professional Engineers 约束该协议。)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 14, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from AMICK Consultants Limited for the Archaeologist Property Assessment – For 2362 8th Line, Bradford
Contract Date: November 19, 2019**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated November 19, 2019 submitted by AMICK Consultants Limited, Lakelands District Office, for Bradford Archaeological Property Assessment of Phase 3 Studies. Also, Mr. Wilson Shen and Triumph Development HK acknowledge that there are further disbursements in addition to these contracts and they agree to pay the required fees. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiel, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with AMICK Consultants Limited on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. is to provide 50% deposit in the amount of \$ 4,802.50 upon signing this contract.

Yours Sincerely,

Mehdi Shafiel

ACCEPTED BY:

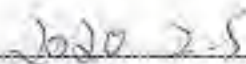
(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with AMICK Consultants Limited)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature



Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 14, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: 接受 AMICK Consultants Limited 的考古学家财产评估合同-布拉德福德 8362 号线
合同日期: 2019 年 11 月 19 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史，他们将管理日常业务，而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示，他是 Triumph Development HK Bradford Twin Regency Inc 的所有者和董事，该公司拥有 Bradford 镇的主题土地。沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序，以甄选顾问，他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph，并得出了关于比较顾问建议书的讨论。结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外，凯旋公司同意遵守与德尔布鲁克和

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T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

顾问之间的合同有关的所有条款和条件。此外，凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证，可以按照 Delbrook Consulting (O/A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求，沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 已经审查了湖州地区办公室 AMICK Consultants Limited 提交的日期为 2019 年 11 月 19 日的提案和合同，以进行第三阶段研究的 Bradford 考古财产评估。此外，沉伟信先生和香港凯旋发展有限公司也承认，除了这些合同之外，还有其他支出，他们同意支付所需的费用。此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O/A 10853828 Canada Inc) 代表该项目与 AMICK Consultants Limited 签订协议。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 将在签署本合同后提供 50% 的押金，金额为 4,802.50 美元。

此致

Mehdi Shafiei

被接受：

(签名人同意工作计划、预算和标准条款和条件，并授权 Delbrook Consulting (O/A 10853828 Canada Inc.)

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

进行此項工作，并与 AMICK Consultants Limited 约束
该协议。)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

February 19, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from Soscia Professional Engineers for the Shadow Studies – For
2362 8th Line, Bradford
Contract Date: February 3, 2020**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated February 3, 2020 submitted by Soscia Professional Engineers Inc. for Bradford Shadow Studies. Also, Mr. Wilson Shen and Triumph Development HK acknowledge that there are further disbursements in addition to these contracts and they agree to pay the required fees. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with Soscia Professional Engineers Inc. on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 25% deposit in the amount of \$ 1,800 upon signing this contract.

Yours Sincerely,

Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with Soscia Professional Engineers Inc.)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

January 30, 2020

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: 接受 Soscia 专业工程师进行阴影研究的合同-布拉德福德 2362 8 号线 合同日期:
2020 年 2 月 3 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史，他们将管理日常业务，而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示，他是 Triumph Development HK Bradford Twin Regency Inc. 的所有者和董事。该公司拥有 Bradford 镇的主题土地，沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序，以甄选顾问，他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph，并得出了关于比较顾问建议书的讨论，结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外，凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外，凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保

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T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

证·可以按照 Delbrook Consulting (O/A 10853828 Canada Inc.) 的要求及时签发所有所需付款·如果对此类账单的付款有任何违约·沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动·包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求·沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用(例如法律费用)负全部责任·此外·沉伟森先生亲自保证所有账单的支付。

此外·双方同意·对于任何未偿还款项·每年将计算 24% 的利息。

这是为了确认沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 已审查了 Soccia Professional Engineers Inc 提交的日期为 2020 年 2 月 3 日的 Bradford Shadow Studies 提案和合同。此外·沉伟信先生和 Triumph Development HK 承认·除了这些合同之外·还有其他支出·他们同意支付所需的费用·此外·沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O/A 10853828 Canada Inc) 代表与 Soccia Professional Engineers Inc 签订协议·以该项目

此外·沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 将在签署本合同后提供 25% 的押金·金额为 1,800 美元。

此致

Mehdi Shafiei

被接受:

(签名人同意工作计划·预算和标准条款和条件·并授权 Delbrook Consulting (O/A 10853828 Canada Inc.) 进行此项工作·并与 Soccia Professional Engineers 约束该协议。)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 3, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from WSP for the Traffic Studies – For 2362 8th Line, Bradford
Contract Date: September 20, 2019**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

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T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

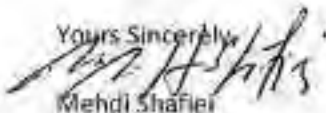
O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated September 20, 2019 submitted by WSP, 100 Commerce Valley Drive West, Thornhill, ON, Canada, L3T 0A1, for 2362 8th Line, Bradford Development Traffic Studies. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with WSP on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc, is to provide 50% deposit in the amount of \$ 7,300 upon signing this contract.

Yours Sincerely,



Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (O/A 10853828 Canada Inc.) to undertake this work and bind the agreement with WSP Canada Group Limited)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature

2019. 10. 7

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 3, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: 从 WSP 接受交通研究合同-对于 2362 8th Line, 布拉德福德 合同日期: 2019 年 9 月 30 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史，他们将管理日常业务，而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示 - 他是 Triumph Development HK Bradford Twin Regency Inc 的所有者和董事，该公司拥有 Bradford 镇的主题土地，沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序，以甄选顾问，他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph，并得出了关于比较顾问建议书的讨论。结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外，凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外，凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全权

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T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

证，可以按照 Delbrook Consulting (O/A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O/A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求。沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟信先生和 Triumph Development HK Bradford Twin Regency Inc. 已审查了 WSP 于 2019 年 9 月 20 日在加拿大安大略省 Thornhill Commerce Valley Drive West 100 的 L3T 0A1 提交的提案和合同 2362 第八条线，布拉德福德发展交通研究。此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiel 先生 (O/A 10853828 Canada Inc.) 代表该项目与 WSP 签订协议。

此外，沉伟森先生和凯旋发展香港布拉德福德双子公司将在签署本合同后提供 50% 的定金，金额为 7,300 美元。

此致



Mehdi Shafiel

被接受：

（签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O/A 10853828 Canada Inc.) 进行此项工作，并与 WSP Canada Group Limited 约蒙该协议。）

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen

Signature



Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527



September 20, 2019

Mr. Mehdi Shafiei
 Delbrook Consulting Inc.
 350 Highway 7 East, Unit 310
 Richmond Hill, ON L4B 3K2

(OIA 10853828 Canada Inc)

Dear Mr. Shafiei:

Subject: 2362 8th Line, Bradford Development

WSP Canada Group Limited (WSP) is pleased to provide this proposal to prepare a Traffic Impact Study (TIS) that addresses the requests from the Town of Bradford West Gwillimbury (the Town) in support of the proposed residential development located at 2362 8th Line.

The objective of the study package will be to examine the impacts of the proposed development on the road network and parking supply, and WSP has comprehensive experience in completing traffic and parking studies in support of similar developments. Based on the current site plan and our familiarity with this type of study, we have developed the following scope and work program.

WORK PROGRAM

PART A: TRAFFIC ASSESSMENT

1 Terms of Reference

We will develop and confirm a Terms of Reference (ToR) through correspondences with the Town transportation staff. In the ToR, we will confirm with the Town whether there are planned road/intersection improvements or background developments in the vicinity of the site which need to be incorporated in the TIS. We will also confirm with the Town and the County of Simcoe the appropriate traffic growth rates to be used for the study. Based on our experience, we do not anticipate substantial changes to the scope from the ToR. However, Should there be a need for additional scope at the request of the Town or the County, we will advise you of the scope and work with you on the next steps.

2 Background Information Collection

Obtain and review information related to the study area, including:

- Proposed site plan in PDF and CAD format;
- Proposed site statistics (i.e., number of units, number of proposed parking spaces); and
- Any background developments in the study area.

100 Concession Village Drive West
 Thornhill, ON
 Canada L3T 0M4

T: +1 (905) 882-1880
 F: +1 (905) 882-1880
 WSP.COM

Mehdi Shafiei



3 Traffic Data Collection

Based on the location and magnitude of the proposed development, we have included the following study intersections for the TIS:

- 8th Line/Dissette Street and Artesian Industrial Parkway - Signalized
- 8th Line and Colborne Street - Signalized
- Dissette Street/Marshallview Boulevard and 101st Holland Street East/Bridge Street - Signalized
- 8th Line and Barrie Street/Yonge Street - Signalized

Turning movement counts will be collected at these intersections during the typical weekday a.m. (7:00 - 9:00) and p.m. (4:00 - 6:00) periods. Signal timing plans will also be purchased from the municipality.

4 Existing Traffic Analysis

Existing traffic operations in the study area will be analyzed based on the peak hour traffic volumes collected in Task 3 to determine if there are any deficiencies under existing conditions. We will conduct the capacity analyses for the weekday a.m. and p.m. peak hours using the Synchro 10 traffic analysis software, which is the software implementation of the Highway Capacity Manual 2010, the recognized standard for traffic operations analysis in North America. This will be the baseline scenario to which all subsequent scenarios will be compared with. To minimize your costs, we have not included surveys related to the Synchro model calibrations, which would only be required under special circumstances where existing conditions are influenced by more aggressive driving patterns. Should the need arise through our preliminary work, we will notify you of the actual scope required.

5 Future Background Traffic Analysis

The future background traffic analysis will model the "do nothing" conditions, which includes the traffic associated with the applicable background developments and any general corridor growth. One horizon period of five years will be evaluated in the TIS (assuming no phasing). We will identify whether improvements to the study area road network are required as a result of the other background developments and general background traffic growth in the area, which should not be your responsibility to construct or finance.

6 Trip Generation and Assignment

We will develop the weekday a.m. and p.m. peak hour site generated traffic on the basis of the trip generation rates from the Institute of Transportation Engineers (ITE) Trip Generation Manual, 10th Edition. Transportation Tomorrow Survey (TTS) information will be consulted to determine the applicable non-auto traffic adjustments and adjustments reflecting auto-transit trips to be applied. The site-generated traffic will be distributed and assigned to the study road network based on existing traffic patterns, proposed driveway arrangement, TTS trip distribution information and route-finding logic.

7 Future Total Traffic Conditions

The future total traffic volumes at the site driveway and boundary intersections will be developed by superimposing the weekday a.m. and p.m. peak hour site generated traffic onto the future background traffic forecasts. Detailed capacity analysis will be carried out to determine the future



total traffic operations for the study intersections and the proposed site driveway. Based on the findings, we will provide the quantitative results and comment on traffic operations within the study area. The focus of the assessment will be to demonstrate that the proposed access arrangement will function adequately, with minimal impact on the boundary road network. However, if necessary, we will identify any road and/or traffic operation improvements that may be required based on the future total traffic operations. Sensitivity scenarios will also be evaluated, if necessary, to understand the implication of the improvements.

PART B: PARKING ASSESSMENT AND SITE PLAN REVIEW

8 Parking Assessment

We will complete a review of the proposed automobile parking supply, relative to the Town's By-law requirements. We will consult our extensive record of previous studies, experience with parking reduction, shared parking, and comment on the adequacy of the proposed parking supply relative to the needs of this development. This includes the provision of accessible parking for the subject development. Therefore, the recommended approach and to minimize your costs is to focus on the qualitative and Transportation Demand Management (TDM) strategies for the site to minimize the need for parking all together. To minimize your fees, parking surveys are not included, which are only required when the proposed parking supply is substantially lower than the By-law requirement. The scope of these surveys need to be established in consultation with the Town and is not required for all projects. Since the development propose condo/apartment type units, on-street parking is not applicable.

9 Loading Assessment

We will complete a review of the loading requirement of the proposed development with consideration of the By-law requirement. We will comment on the conformance of the loading supply relative to the applicable demand and requirements.

10 Site Plan Review

Evaluate the feasibility of the proposed site plan from a transportation perspective, particularly the site access arrangement (driveway radius, width, ramp etc). Vehicular movements will be tested using AutoTURN to ensure that vehicles can adequately access the site, and that all of the underground parking spaces proposed are feasible. The internal circulation of various vehicles including waste collection vehicle and delivery trucks will be tested and documented.

11 Transportation Demand Management

In support of lower auto traffic impact and parking provision, we will develop a Transportation Demand Management (TDM) requirement, which promotes the use of modes other than single occupant automobiles. WSP has prepared comprehensive TDM plans for several downtown studies in the past, which typically include initiatives such as:

- Transit incentives;
- Bike-share facility;
- Carpool spaces;
- Car-share spaces; and
- Other potential funding and partnership opportunities for TDM.

We will inform you of the potential strategies available and our recommendations.



SCHEDULE AND FEE ESTIMATE

We are ready to start this project immediately upon your authorization to proceed and will work with the project team to complete the work in a timely manner. Upon receiving the background information and confirming the Toll with the Town, we would require approximately **five weeks to complete** the work program outlined above.

We are prepared to complete the scope identified above for a **Fixed Fee of \$14,600**, inclusive of all disbursements but exclusive of the HST. As an option, if in-person meetings are anticipated, we can establish a time-basis (on an as needed) task. We would only attend meetings with your express authorization. Additional work beyond the above noted scope of work would be completed at your express authorization and billed on an hourly basis. Our standard hourly rates are attached as **Appendix A** and our Standard terms of Payment are also included in **Appendix B**.

If you are in agreement with the above noted work plan and our corresponding fee, together with the Standard Terms and Conditions indicated in Appendix B, please sign and return this letter, and Appendix B as our authorization to proceed and to confirm that the Client accepts that WSP's total aggregate liability hereunder is expressly and unconditionally limited to the amount of WSP fees paid by the Client under this Agreement.

We trust that this proposed work plan meets with your approval. However, should there be any questions, please do not hesitate to call me directly at 289-982-4764. We look forward to working with you on this exciting assignment.

Yours sincerely,

Peter Yu, P.Eng.
Project Manager

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes WSP Canada Group Limited to undertake this work.)

10853828 Canada Inc.

Client Organization Name (please print)

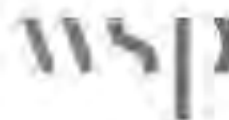
Mehdi Skafiri

Signatory Name

[Handwritten Signature]

Signature

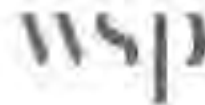
Date



APPENDIX A
BILLING RATES – 2019
TRANSPORTATION PLANNING & ADVISORY SERVICES

CATEGORY

DEPARTMENT MANAGER	\$260
MANAGER/MANAGER, TRAFFIC MANAGEMENT & PARKING/MANAGER/ TRANSPORTATION PLANNING	\$250
SENIOR CONSULTANT	\$240
SENIOR PROJECT MANAGER	\$180 - \$230
PROJECT MANAGER	\$140 - \$150
SENIOR PROJECT ENGINEER/PLANNER/COORDINATOR	\$120 - \$150
SENIOR TECHNOLOGIST	\$130
PROJECT ENGINEER/PLANNER/ COORDINATOR	\$120 - \$130
PROJECT DESIGNER	\$100
DESIGNER/ENGINEER (EIT)/PLANNER	\$90 - \$120
CLERICAL	\$80 - \$90
CO-OP STUDENT PLANNER/ENGINEER	\$70



Appendix B Standard Terms and Conditions

THIS APPENDIX B, STANDARD TERMS AND CONDITIONS, together with WSP Canada Group Limited sign-back letter to the Client dated _____ and Appendix A, Standard Hourly Rates, has been accepted and agreed to (collectively the "Agreement")

1. Invoicing and Payment: Invoices for time-based work will be issued at four-week intervals based on hourly rates in effect during the invoicing period (see Appendix A, Standard Hourly Rates). Invoices for work carried out on a percentage fee related to a cost of works or a fixed fee will be issued at four-week intervals based on the estimated amount of work completed during the period and expressed as a percentage. The Cost of Works definition for the calculation of percentage fee basis work will include all applicable taxes including the Federal Goods and Services Tax and Harmonized Sales Tax. Unless otherwise stated, when fixed fees are quoted, they shall apply only to work completed in the current calendar year, and shall be subject to increase according to a measure of inflation, such as the Consumer Price Index (CPI) for any portion of the work carried out beyond the current calendar year. Invoices are payable within thirty days of their issuance. Unless otherwise stated, disbursements will be billed at cost plus administrative charge of five percent (5%). Amounts outstanding after thirty days are subject to an interest charge of twelve percent annually. The equivalent monthly rate is one percent. The Client shall be responsible for paying any sales, use, transfer, or similar tax, including the Federal Goods and Services Tax and Harmonized Sales Tax, that is payable under law in respect of any work contemplated under this Agreement. The amount of such tax will be added to accounts rendered by WSP. If any invoice submitted by WSP remains unpaid by the Client for forty-five days or more from the date the invoice was submitted, then WSP may give seven days' written notice to the Client that WSP will suspend services. The Client shall not have any claim whatsoever against WSP for any loss, cost, damage, or expense incurred or anticipated to be incurred by the Client as a result of the suspended services.

- 2. Limitation of Liability:** Client agrees to limit the liability of WSP, its affiliates and their respective employees, officers, directors, agents consultants and subcontractors ("WSP Group Entities") to Client, its employees, officers, directors, agents, consultants and subcontractors, whether in contract, tort, or otherwise, which arises

from WSP Group Entities' acts, negligence, errors or omissions, such that the total aggregate liability of the WSP Group Entities to all those named shall not exceed Fifty Thousand Dollars (\$50,000) or WSP's total fee for the Services rendered under this Agreement whichever is greater, but in no event shall WSP Group Entities' total aggregate liability exceed the amount of insurance that WSP is required to maintain under this Agreement.

WSP Group Entities shall not be responsible for:

- a) the failure of a contractor, retained by the Client, to perform the work required in the Project in accordance with the applicable contract documents, nor shall WSP be responsible for job site safety or construction means and methods;
- b) the design of or defects in equipment supplied or provided by the Client for incorporation into the Project;
- c) any cross-contamination resulting from subsurface investigations;
- d) any damage to subsurface structures and utilities which were identified and located by the Client, or by the Client's other consultants or contractors;
- e) any Project decisions made by the Client, if the decisions were made without the advice of WSP, or contrary to or inconsistent with WSP's advice;
- f) the unauthorized distribution of any confidential document or report prepared by or on behalf of WSP for the exclusive use of the Client;
- g) Claims for damages for bodily injury, including death which is actually or allegedly, in whole or in part, directly or indirectly, caused by, based upon or in any way involving asbestos or any material derived therefrom in whatever form or quantity.

No claim may be brought against WSP in contract or in tort, more than two years after the services were completed or terminated under this Agreement. The Client waives any and all rights,



remedies, and claims that it may have against WSP, its principals, employees, directors, officers, or agents whether at law, under any statute or in equity or otherwise, directly or indirectly, relating to the performance of this Agreement to the extent limited by this Article.

3. **Consequential Damages:** In no event shall either Party be liable to the other for indirect, incidental, or consequential damages of any kind (regardless of whether such damages are alleged to have arisen from negligence, breach of warranty, breach of contract, or from any other cause) including, but not limited to, damages arising from the use or loss of any facility, loss of anticipated profits or revenues, cost of purchasing or replacing products and services, or claims of customers.

4. **Insurance:** WSP will maintain insurance coverage with the following limits:

- a) Workers' Compensation (statutory limits)
- b) Commercial General Liability

Each Occurrence	\$1,000,000
Policy Aggregate	\$2,000,000
- c) Professional Liability Insurance

Any One Claim	\$1,000,000
Policy Aggregate	\$2,000,000

5. **Indemnification:** WSP shall indemnify and save harmless the Client from and against all claims, actions, losses, expenses, costs, or damages which the Client or its officers, directors and employers may suffer, to the extent WSP is legally liable as a result of the negligent acts of WSP, its principals, employees, directors, officers, or agents in the performance of this Agreement. Such indemnification as limited by Article 2 Limitation of Liability, shall be client's sole and exclusive remedy against WSP and its principals, employees, directors, officers, and agents. Accordingly, the Client waives any and all other rights, remedies, and claims that the Client may have against WSP, its principals, employees, directors, officers, or agents, whether at law, under any statute or in equity or otherwise, directly or indirectly, relating to the provisions of this Agreement or the transactions contemplated by this Agreement other than as expressly provided for in this Article.

The Client shall indemnify and save harmless WSP and its principals, employees, directors, officers, and agents (for whom in this regard WSP is acting as agent and trustee) from and against all claims, actions, losses, expenses, costs, or damages of every nature and kind whatsoever

which WSP, its principals, employees, directors, officers, or agents may suffer, sustain, or incur arising from the Client's negligent acts or the negligence of the Client's employees, directors, officers, other consultants and subconsultants, or agents in the performance of this Agreement.

The Client further agrees to indemnify and save harmless WSP and its principals, employees, directors, officers, and agents (for whom in this regard WSP is acting as agent and trustee) from and against any and all claims, actions, losses, damages, liabilities, costs, and expenses arising out of, or in any way connected with, the presence, discharge, release, or escape of contaminants of any kind, excluding only such liability as may arise out of the negligent acts of WSP in the performance of consulting services to the Client within this Agreement.

WSP hereby accepts the foregoing waiver and indemnifies in favour of its principals, employees, directors, officers, and agents who are not parties to this Agreement as their agent and trustee. WSP may enforce an indemnity or waiver in favour of its principals, employees, directors, officers or agents on behalf of each of them.

6. **Standard of Care:** WSP shall render services to the Client under this Agreement with that degree of care, skill, and diligence normally provided in the performance of such services in respect of projects of similar nature to that contemplated by this Agreement at the time and place that such services are rendered.

7. **Restrictions and Exclusive Use by Client:** Reports, opinions, findings, recommendations, including expert testimony, or other documents prepared under this Agreement are prepared for the exclusive use of the Client identified as the intended recipient. WSP is not responsible for the use of, or reliance on, these documents by any other party without the written consent of WSP. WSP accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions taken based on these documents.

8. **Entire Agreement:** This Agreement constitutes the entire Agreement between the Client and WSP with respect to the subject matter hereof, and cancels and supersedes any prior understandings between the Client and WSP with respect to the subject matter. This Agreement shall not be modified, except by subsequent agreements in writing duly signed by the Authorized Representatives of both Parties.

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 15, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

**RE: Acceptance of the Contract from Greck and Associates Limited for the Civil & Site Servicing Engineering – For 2362 8th Line, Bradford
Contract Date: October 3, 2019**

This is to confirm that Delbrook Consulting (O/A 10853828 Canada Inc.) is merely a Development Manager / Project Manager for the properties located at 2362 8th Line in Bradford which are owned by Triumph Development HK Bradford Twin Regency Inc. Delbrook will be managing all the related matters with respect to the development applications and all the contracts related to the development and consultants. Because of the long history of Delbrook with different municipalities, contractors and consultants, they will manage the day to day of the business and Triumph will provide the full authorization to Delbrook for such development required activities and dealings.

Mr. Wilson Shen represents that he is the owner and the director of Triumph Development HK Bradford Twin Regency Inc which owns the subject lands in the Town of Bradford. Mr. Wilson Shen can bind the corporation in its entirety.

Delbrook has conducted the tendering procedure for the selection of the consultants whose work is required to prepare the required development application by the municipalities and the government authorities. Delbrook has provided the copies of all the consultant proposals as well as the analysis to Triumph and the discussion about the comparison of the consultant proposals have been concluded that Triumph has the right to choose the consultant for each discipline that they like for the said development and Delbrook will enter into the contract. Furthermore, Triumph agrees to adhere to all the terms and conditions related to the contract between Delbrook and the consultant. Moreover, Triumph agrees to pay all the related deposits and payments for all the invoices that is being issued regarding to the agreement.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. gives the full guarantee to issue all the required payments in a timely manner as requested by Delbrook Consulting (O/A 10853828 Canada Inc.). In case of any defaults with respect to the payments of such bills, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. provide consent to Delbrook Consulting (O/A 10853828 Canada Inc.) that all the necessary legal activities inclusive of placing a lien claim on titles of the properties can be done in favour of Delbrook or other respective consultants and contractors and Mr. Wilson Shen and/or Triumph Development is fully responsible for all the costs such as legal costs in respect to such actions. In addition, Mr. Wilson Shen personally guarantees the payments of all the bills.

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING


O/A 10853828 Canada Inc.

Moreover, the parties agree that the interest of 24% annually to be calculated for any outstanding payments.

This is to confirm that Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. have reviewed the proposal and contract dated October 3, 2019 submitted by Greck and Associates Limited, 5770 Highway 7, Woodbridge, ON, L4L 1T8, for 2362 8th Line, Bradford Development Civil and Site Servicing Engineering. Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. are hereby providing their authorization to Mr. Mehdi Shafiei, Delbrook Consulting (O/A 10853828 Canada Inc) to bind the agreement with Greck and Associates Limited on their behalf for the project.

Furthermore, Mr. Wilson Shen and Triumph Development HK Bradford Twin Regency Inc. is to provide 50% deposit in the amount of \$ 14,515 upon signing this contract.

Yours Sincerely,



Mehdi Shafiei

ACCEPTED BY:

(The undersigned agrees with the work program, budget and Standard Terms and Conditions and authorizes Delbrook Consulting (D/A 10853828 Canada Inc.) to undertake this work and bind the agreement with Greck and Associates Limited)

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

October 3, 2019

ATT: Mr. Wilson Shen
Triumphant Group
Triumph Development HK Bradford Twin Regency Inc.
310-350 Highway 7 East,
Richmond Hill, ON L4B 3N2

RE: 接受 Greck and Associates Limited 的土木和场地服务工程合同—布拉德福德 8362 号线 合同日期: 2019 年 10 月 3 日

这是为了确认 Delbrook Consulting (O / A 10853828 Canada Inc.) 仅仅是由 Triumph Development HK Bradford Twin Regency Inc. 拥有的位于 Bradford 8362 号线物业的开发经理/项目经理。Delbrook 将负责管理与开发应用程序有关的所有相关事项以及与开发和顾问有关的所有合同。由于德尔布鲁克 (Delbrook) 与不同的市政府、承包商和顾问有着悠久的历史, 他们将管理日常业务, 而凯旋 (Triumph) 将为德尔布鲁克提供此类发展所需的活动和交易的全部授权。

沉伟森先生表示, 他是 Triumph Development HK Bradford Twin Regency Inc 的所有者和董事, 该公司拥有 Bradford 镇的主题土地, 沉伟信先生可以完全约束公司。

德尔布鲁克 (Delbrook) 进行了招标程序, 以甄选顾问, 他们的工作需要市政当局和政府当局准备所需的开发申请。Delbrook 已将所有顾问建议书的副本以及分析结果提供给了 Triumph, 并得出了关于比较顾问建议书的讨论, 结论是 Triumph 有权根据自己的喜好为每个学科选择顾问。Delbrook 将签订合同。此外, 凯旋公司同意遵守与德尔布鲁克和顾问之间的合同有关的所有条款和条件。此外, 凯旋公司同意就与该协议有关的所有发票支付所有相关的定金和付款。

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2
T: 647-930-8548
T: 416-803-5527

DELBROOK CONSULTING

O/A 10853828 Canada Inc.

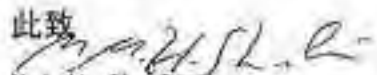
此外，沉伟森先生和 Triumph Development HK Bradford Twin Regency Inc. 给予完全保证，可以按照 Delbrook Consulting (O / A 10853828 Canada Inc.) 的要求及时签发所有所需付款。如果对此类账单的付款有任何违约，沉伟森先生和凯旋发展香港布拉福德双子摄政公司均同意 Delbrook Consulting (O / A 10853828 Canada Inc.) 同意所有必要的法律活动，包括配售可以向 Delbrook 或其他各自的顾问和承包商主张对财产所有权的留置权要求。沉伟森先生和/或 Triumph Development 对与此类诉讼有关的所有费用（例如法律费用）负全部责任。此外，沉伟森先生亲自保证所有账单的支付。

此外，双方同意，对于任何未偿还款项，每年将计算 24% 的利息。

这是为了确认沉伟信先生和 Triumph Development HK Bradford Twin Regency Inc. 已审阅了 Greck and Associates Limited 在 5770 Highway 7, ON, Woodbridge, ON, L4L 1T8 于 2019 年 10 月 3 日提交的提案和合同 2362 8th Line, Bradford Development 土建和现场服务工程。此外，沉伟信先生和 Triumph Development HK Bradford Twin Regency Inc. 特此授权 Delbrook Consulting 的 Mehdi Shafiei 先生 (O / A 10853828 Canada Inc.) 代表其与 Greck and Associates Limited 约束该协议。项目。

此外，沉伟信先生和凯旋发展香港布拉福德双子公司将在签署本合同后提供 50% 的定金，金额为 14,515 美元

此致



Mehdi Shafiei

被接受：

（签名人同意工作计划，预算和标准条款和条件，并授权 Delbrook Consulting (O / A 10853828 Canada Inc.) 进行此项工作，并与 Greck and Associates Limited 约束该协议。）

Triumph Development HK Bradford Twin Regency Inc.

Mr. Wilson Shen



Signature

Date

310-350 Highway 7 East, Richmond Hill, ON L4B 3N2

T: 647-930-8548

T: 416-803-5527

CCDC 5B**Construction Management Contract
– for Services and Construction****2 0 1 0****Twin Regency Building**

Apply a CCDC 5B copyright seal here. The application of the seal demonstrates the intention of the party proposing the use of this document that it be an accurate and unamended form of CCDC 5B - 2010 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.

CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE

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**AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER
– FOR SERVICES AND CONSTRUCTION**

This agreement made on the 3 day of March in the year 2020
by and between

Triumph Development HK Bradford Twin Regency Inc.

hereinafter called the "Owner"
and

Delbrook Triumphant Builders Inc.

hereinafter called the "Construction Manager"

The Owner and Construction Manager agree as follows:

ARTICLE A-1 THE SERVICES AND THE WORK

The Construction Manager shall

- 1.1 perform the Services and the Work for

Twin Regency Building

insert above the title of the Project

located at

2362 8th Line, Bradford

insert above the Place of the Work

and as further described in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT, for which the Agreement has been signed by the parties, and for which

Delbrook Consulting O/A 10853828 Canada Inc.

insert above the name of the Consultant

is acting as and is hereinafter called the "Consultant", and

- 1.2 do and fulfill everything indicated by the Contract Documents, and
- 1.3 commence the Services and the Work by the 3 day of March in the year 2020 and continue in accordance with any schedule provided in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT. The Construction Manager's obligation to provide Services shall end no later than one year after the date of Substantial Performance of the Work.

ARTICLE A-2 AGREEMENTS AND AMENDMENTS

- 2.1 This Contract supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the Project.
- 2.2 This Contract may be amended only as provided in the Contract Documents.

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ARTICLE A-3 DESCRIPTION OF THE PROJECT

- 3.1 The following is a description of the *Project* including intended use, scope, budget, schedule, phases if applicable, and (the anticipated date of *Substantial Performance of the Work*), and any other information which further generally describes the nature of the *Project* and the *Work*:

To construct and build 6 story medium rise condominium building with 3 levels of underground parking. The work of the builder to begin 6 months prior to issuance of the building permit for the pre-construction work.

The current budget for the building is based on the latest proforma at \$ 42,528,438 which includes all the hard cost work and contingency. The Final Hard Cost Budget to be fixed once the final Tendering of the Work is completed.

The parties have agreed that the General Conditions to be part of the Construction Management Fee.

The Time Line for the Building Permit Issuance will be in Q 1 of 2021. The Construction to begin in Q 2 of 2021 and the current schedule to finish to the substantial completion by Q 2 of 2023.

ARTICLE A-4 CONTRACT DOCUMENTS

4.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement – THE SERVICES AND THE WORK.

- the Agreement Between *Owner* and *Construction Manager* (including the Schedules to the Agreement)
- the Appendix – STIPULATED PRICE OPTION
- the Definitions
- the General Conditions
- the *Construction Documents*

The work is based on the Standard Finishes for the Condominium Building which will be finalized and it will be part of the contract.

All consultants engaged in the project as well as all their studies and reports and plans will form the contract documents. The Owner to provide the final working construction set for the Builder for the purposes of finalizing the tendering procedure and to start the construction of the building.

* (Insert here, attaching additional pages if required, a list identifying all other Contract Documents)

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ARTICLE A-5 CONSTRUCTION MANAGER'S FEE

5.1 The *Construction Manager's Fee* shall be equal to the sum of the fee for the *Services* as specified in paragraph 5.2 and the fee for the *Work* as described in paragraph 5.3.

5.2 The *Construction Manager's Fee* for the *Services* is comprised of one or more of the following:

- ~~(1) A fixed amount of _____ funds.~~
- (2) A percentage amount of eight _____ percent (8 %) of the *Construction Cost Estimate*. Final reconciliation payments shall be adjusted based on *Class A Construction Cost Estimate*; and
- (3) An amount based on the time-based rates for personnel employed by the *Construction Manager* as described in Schedule B to the Agreement and engaged in performing the *Services* to the level of effort agreed prior to the commencement of the *Services*. The *Owner* may by written request require the *Construction Manager* to provide prior to commencement of the *Services* an estimate of the total fee for *Services* to be performed based on the time-based rates for evaluation and verification purposes.

* ~~Strike out inapplicable paragraph(s).~~

5.3 The *Construction Manager's Fee* for the *Work* is comprised of one or more of the following:

- ~~(1) A percentage fee of _____ percent (_____ %) of the *Cost of the Work* added to the *Cost of the Work* needed. In the event the *Owner* furnishes labour or material below market cost or materials are re-used beyond that anticipated in the original scope of the *Work*, the *Cost of the Work* for purposes of establishing the *Construction Manager's Fee* for the *Work* is the cost of all materials and labour necessary to complete the *Project* as if all materials had been new and as if all labour had been paid for at market prices at the time of construction or, in the event that the construction does not proceed, at existing market prices at the anticipated time of construction.~~
- (2) A fixed fee of _____
~~amount as follows:~~

~~(3) Delete inapplicable paragraph(s).~~

5.4 The *Construction Manager's Fee* shall be subject to adjustment as may be required in accordance with the provisions of the *Contract Documents* listed in Article A-4 of the Agreement – CONTRACT DOCUMENTS.

5.5 All amounts are in Canadian funds.

ARTICLE A-6 REIMBURSABLE EXPENSES FOR THE SERVICES

6.1 The reimbursable expenses are the actual expenses, supported by receipts or invoices, that the *Construction Manager* incurred in performing the *Services*, and as identified in Schedule A3 to the Agreement plus the administrative charge of _____ percent (_____ %). If there are no receipts or invoices, the expenses shall be at rates prevailing in the area of the *Place of the Work* and supported with suitable documentation.

6.2 The *Owner* may by written request require the *Construction Manager* to:

1. provide prior to commencement of the *Services* an estimate of the total reimbursable expenses incurred by the *Construction Manager* in performing the *Services* for evaluation and verification purposes; and
2. inform the *Owner* in writing prior to incurring reimbursable expenses relating to the *Services*.

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ARTICLE A-7 COST OF THE WORK

7.1 The *Cost of the Work* is the actual cost incurred by the *Construction Manager* in performing the *Work* and is limited to the actual cost of the following:

- 1 salaries, wages and benefits paid to personnel in the direct employ of the *Construction Manager* under a salary or wage schedule agreed upon by the *Owner* and the *Construction Manager*, or in the absence of such a schedule, actual salaries, wages and benefits paid under applicable bargaining agreement, and in the absence of a salary or wage schedule and bargaining agreement, actual salaries, wages and benefits paid by the *Construction Manager*, for personnel
 - (1) stationed at the *Place of the Work*, in whatever capacity employed;
 - (2) engaged in expediting the production or transportation of material or equipment, at shops or on the road;
 - (3) engaged in the preparation or review of *Shop Drawings*, fabrication drawings and coordination drawings; or
 - (4) engaged in the processing of changes in the *Work*.
- 2 contributions, assessments or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan, insofar as such cost is based on wages, salaries or other remuneration paid to employees of the *Construction Manager* and included in the cost of the *Work* as provided in paragraph 7.1.1;
- 3 travel and subsistence expenses of the *Construction Manager's* personnel described in paragraph 7.1.1;
- 4 all *Products* including cost of transportation thereof;
- 5 materials, supplies, *Construction Equipment*, *Temporary Work*, and hand tools not owned by the workers, including transportation and maintenance thereof, which are consumed in the performance of the *Work*; and cost less salvage value on such items used but not consumed, which remain the property of the *Construction Manager*;
- 6 all tools and *Construction Equipment*, exclusive of hand tools used in the performance of the *Work*, whether rented from or provided by the *Construction Manager* or others, including installation, minor repairs and replacements, dismantling, removal, transportation, and delivery cost thereof;
- 7 the *Construction Manager's* field office;
- 8 deposits lost provided that they are not caused by negligent acts or omissions of the *Construction Manager* and the *Services* are performed in accordance with this *Contract*;
- 9 the amounts of all contracts or written agreements with *Subcontractors* and *Suppliers* and the unrecoverable costs to the *Construction Manager* that result from any *Subcontractor's* or *Supplier's* default, insolvency or abandonment; termination of any *Subcontractor's* or *Supplier's* right to perform due to default by the *Subcontractor* or *Supplier*; or termination of any *Subcontractor's* or *Supplier's* contract due to default by the *Subcontractor* or *Supplier*;
- 10 quality assurance such as independent inspection and testing services;
- 11 charges levied by authorities having jurisdiction at the *Place of the Work*;
- 12 royalties, patent license fees and damages for infringement of patents and cost of defending suits therefor subject always to the *Construction Manager's* obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 – PATENT FEES;
- 13 premiums for all contract securities and insurance that the *Construction Manager* is required, by the *Contract Documents*, to purchase and maintain;
- 14 taxes, other than *Value Added Taxes*, and duties relating to the *Work* for which the *Construction Manager* is liable;
- 15 charges for long distance communications, courier services, expressage, printing, and reproduction incurred in relation to the performance of the *Work*;
- 16 removal and disposal of waste products and debris;
- 17 the cost of safety measures and requirements;
- 18 legal costs, incurred by the *Construction Manager* in relation to the performance of the *Work* provided that they are not caused by negligent acts or omissions of the *Construction Manager* and the *Work* is performed in accordance with this *Contract*;
- 19 the cost of financing the *Work* in accordance with the method determined by the parties and identified in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT;

- .20 the cost of auditing when requested by the *Owner*;
- .21 the cost of project-specific information technology and usage in accordance with the method determined by the parties in writing;
- .22 the cost of removal or containment of toxic or hazardous substances pursuant to GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES;
- .23 other costs incurred in the performance of the *Work* as listed below:

The Cost of Work is all the related Hard Cost expenditures for the performance of the construction work.

- 7.2 The *Cost of the Work* excludes *Value Added Taxes* and shall be at rates prevailing in the locality of the *Place of the Work*, except with the prior consent of the *Owner*.
- 7.3 Any costs incurred by the *Construction Manager* due to failure on the part of the *Construction Manager* to exercise reasonable care and diligence in the *Construction Manager's* attention to the *Work* shall be borne by the *Construction Manager*.
- 7.4 All cash discounts shall accrue to the *Construction Manager* unless the *Owner* deposits funds with the *Construction Manager* with which to make payments, or where the *Owner* pays the costs of financing the *Work*, in which case the cash discounts shall accrue to the *Owner*.
- 7.5 All trade discounts, rebates and refunds, and all returns from sale of surplus materials and equipment applicable to the *Work* shall accrue to the *Owner*, and the *Construction Manager* shall make provisions so that they can be secured.
- 7.6 The *Owner* may by written request require the *Construction Manager* to:
 - .1 provide prior to commencement of the *Work* an estimate of the total *Cost of the Work* for evaluation and verification purposes; and
 - .2 inform the *Owner* in writing prior to incurring reimbursable expenses relating to the *Cost of the Work*.

ARTICLE A-8 OPTIONS

- 8.1 The *Owner* and the *Construction Manager* may agree to exercise the options described in paragraph 8.2, 8.3 or 8.4 at the time of signing of this *Contract* or any time during the term of the *Contract*. Any agreement to exercise any of the following options after the signing of this *Contract* shall be recorded by a *Change Order*.

8.2 GUARANTEED MAXIMUM PRICE (GMP) OPTION

The sum of the *Price of the Services* and the *Price of the Work* are guaranteed by the *Construction Manager* not to exceed N/A /100 dollars (\$ _____), subject to the adjustment as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE. Any amount, consisting of the sum of the *Price of the Services* and the *Price of the Work*, in excess of this *Guaranteed Maximum Price* will be paid by the *Construction Manager* without reimbursement by the *Owner*.

8.3 GUARANTEED MAXIMUM PRICE PLUS % COST SAVINGS OPTION

The *Price of the Services* and the *Price of the Work* are guaranteed by the *Construction Manager* not to exceed N/A /100 dollars (\$ _____), subject to the adjustment as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

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At the conclusion of the *Project*,

1. any amount, consisting of the sum of the *Price of the Services* and the *Price of the Work*, in excess of this *Guaranteed Maximum Price* will be paid by the *Construction Manager* without reimbursement by the *Owner*;
2. if the sum of the *Price of the Services* and the *Price of the Work* is less than this *Guaranteed Maximum Price*, the difference will be disbursed as follows:
 - (1) retained by the *Owner*: _____ %
 - (2) paid to the *Construction Manager*: _____ %

8.4 STIPULATED PRICE OPTION

The *Owner* and the *Construction Manager* may agree to change this *Contract* to a stipulated price contract, in accordance with the amendments as provided in the Appendix – STIPULATED PRICE OPTION.

ARTICLE A-9 PAYMENT

9.1 Where required by provincial or territorial legislation, payments shall be subject to the lien legislation applicable to the *Place of the Work*. The *Owner* shall pay the *Construction Manager*:

1. payments on account of the *Construction Manager's Fee for the Services* earned as described in Article A-5 of the Agreement – CONSTRUCTION MANAGER'S FEE together with such *Value Added Taxes* as may be applicable to such payments, and
2. payments on account of the reimbursable expenses for the *Services* earned as described in Article A-6 of the Agreement – REIMBURSABLE EXPENSES FOR THE SERVICES together with such *Value Added Taxes* as may be applicable to such payments,
3. payments on account of the *Price of the Work* when due in the amount certified by the *Consultant* together with such *Value Added Taxes* as may be applicable to such payments,
4. upon *Substantial Performance of the Work*, the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and
5. upon the issuance of the final certificate for payment, the unpaid balance of the *Construction Manager's Fee for the Services*, the reimbursable expenses for the *Services*, and the *Price of the Work* when due together with such *Value Added Taxes* as may be applicable to such payment.

9.2 In the event of loss or damage occurring where payment becomes due under the property and boiler insurance policies, payments shall be made to the *Construction Manager* in accordance with the provisions of GC 11.1 – INSURANCE.

9.3 Interest

1. Should either party fail to make payments as they become due under the terms of this *Contract* or in an award by arbitration or court, interest at the following rates on such unpaid amounts shall also become due and payable until payment:

- (1) 2% per annum above the prime rate for the first 60 days;
- (2) 4% per annum above the prime rate after the first 60 days.

Such interest shall be compounded on a monthly basis. The prime rate shall be the rate of interest quoted by

TD Bank of Canada,

(insert name of chartered lending institution whose prime rate is to be used)

for prime business loans as it may change from time to time.

2. Interest shall apply at the rate and in the manner prescribed by paragraph 9.3.1 of this Article on the settlement amount of any claim in dispute that is resolved either pursuant to Part 8 of the General Conditions – DISPUTE RESOLUTION or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

ARTICLE A-10 RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING

- 10.1 *Notices in Writing* will be addressed to the recipient at the address set out below.
- 10.2 The delivery of a *Notice in Writing* will be by hand, by courier, by prepaid first class mail, or by facsimile or other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender.
- 10.3 A *Notice in Writing* delivered by one party in accordance with this *Contract* will be deemed to have been received by the other party on the date of delivery if delivered by hand or courier, or if sent by mail it shall be deemed to have been received 5 calendar days after the date on which it was mailed, provided that if either such day is not a *Working Day*, then the *Notice in Writing* shall be deemed to have been received on the *Working Day* next following such day.
- 10.4 A *Notice in Writing* sent by facsimile or other form of electronic communication shall be deemed to have been received on the date of its transmission provided that if such day is not a *Working Day* or if it is received after the end of normal business hours on the date of its transmission at the place of receipt, then it shall be deemed to have been received at the opening of business at the place of receipt on the first *Working Day* next following the transmission thereof.
- 10.5 An address for a party may be changed by *Notice in Writing* to the other party setting out the new address in accordance with this Article.

Owner

Triumph Development HK Bradford Twin Regency Inc.

*name of Owner**

310-350 Highway 7 E, Richmond Hill, L4B 3N2

address

facsimile number

wilson@triumphantgroup.ca

email address

Construction Manager

Delbrook Triumphant Builders Inc.

*name of Construction Manager**

310-350 Highway 7 E, Richmond Hill, L4B 3N2

address

facsimile number

mehdi@delbrookhomes.com

email address

Consultant

Delbrook Consulting O/A 10853828 Canada Inc.

*name of Consultant**

310-350 Highway 7 E, Richmond Hill, L4B 3N2

address

facsimile number

mehdi@delbrookhomes.com

email address

* If it is intended that the notice must be received by a specific individual, that individual's name shall be indicated.

8.

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ARTICLE A-11 LANGUAGE OF THE CONTRACT

11.1 When the *Contract Documents* are prepared in both the English and French languages, it is agreed that in the event of any apparent discrepancy between the English and French versions, the English/French# language shall prevail.

#Complete this statement by striking out inapplicable term.

11.2 This Agreement is drawn in English at the request of the parties hereto. La présente convention est rédigée en anglais à la demande des parties.

ARTICLE A-12 SUCCESSION

12.1 The *Contract* shall endure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and assigns.

In witness whereof the parties hereto have executed this Agreement by their respective hands or the hands of their duly authorized representatives.

SIGNED AND DELIVERED
in the presence of:

WITNESS



Signature

Yuhang Wu

Name of person signing

Signature

Name of person signing

WITNESS



Signature

Yuhang Wu

Name of person signing

Signature

Name of person signing

OWNER

Triumph Development HK Bradford Twin
Regency Inc.

Name of Owner



Signature

Lu Shen, President

Name and title of person signing

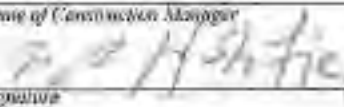
Signature

Name and title of person signing

CONSTRUCTION MANAGER

Delbrook Triumphant Builders Inc.

Name of Construction Manager



Signature

Mehdi Shafiei, President

Name and title of person signing

Signature

Name and title of person signing

N.B. Where legal jurisdiction, local practice or Orono or Construction Manager requirement calls for:

- (a) proof of authority to execute this document, attach such proof of authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the corporation or partnership; or
- (b) the affixing of a corporate seal, this Agreement should be properly sealed.

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SCHEDULE A1 TO THE AGREEMENT – SERVICES AND COMPENSATION

I. PRECONSTRUCTION (*Note: F1 Included in the fixed amount as described in paragraph 5.2.1 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F2 Included in the percentage amount as described in paragraph 5.2.2 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F3 Fee to the Construction Manager based on time-based rates as described in paragraph 5.2.3 of Article A-5 – CONSTRUCTION MANAGER'S FEE.)	Performed by the Owner or someone other than the Construction Manager	Performed by the Construction Manager (*F1/F2/F3)	Not Applicable
1.1 General Services 1 Attend regular <i>Project</i> meetings with the <i>Owner</i> and the <i>Consultant</i> . 2 Provide advice to the <i>Owner</i> and the <i>Consultant</i> with respect to construction and market conditions.		F2 F2	
1.2 Pre-design 1 Estimating: (1) Confirm or prepare a <i>Class D Construction Cost Estimate</i> . (2) Advise the <i>Owner</i> if it appears that the <i>Construction Cost Estimate</i> may exceed the <i>Project</i> budget, and make recommendation for corrective action. 2 Scheduling: Prepare a preliminary overall <i>Project</i> schedule.		F2 F2	
1.3 Schematic Design Phase 1 Constructability: Provide advice on site use and possible improvements, selection of materials, assembly systems, and equipment and provide recommendations on construction feasibility, availability of materials and labour, time requirements for installation and construction, and factors related to alternative designs and possible economies. 2 Estimating: (1) Prepare a <i>Class C Construction Cost Estimate</i> at the end of the Schematic Design Phase. (2) Advise the <i>Owner</i> if it appears that the <i>Construction Cost Estimate</i> may exceed the <i>Project</i> budget, and make recommendation for corrective action. 3 Scheduling: Prepare, in consultation with the <i>Consultant</i> and the <i>Owner</i> , a preliminary <i>Project</i> schedule for the <i>Owner's</i> review; such <i>Project</i> schedule shall take into consideration the sequence and timing of the required basic program decisions, including anticipated design time, approval period, preparation of documentation, bid calls and subsequent evaluations, trade contract awards, on-site construction activities, and the anticipated date of <i>Substantial Performance of the Work</i> . 4 Other Services: Assist in providing liaison and coordination among government authorities, utility companies, and other authorities having jurisdiction over the <i>Place of the Work</i> .		F2 F2 F2 F2	
1.4 Design Development Phase 1 Constructability: (1) Provide updates as necessary regarding the availability of materials and labour, building systems, and possible economies. (2) Make recommendations to the <i>Owner</i> and the <i>Consultant</i> regarding the scope of <i>Work</i> packages and <i>Work</i> to be performed by the <i>Construction Manager's</i> own forces to help facilitate the subsequent bidding and awarding of <i>Subcontractor</i> and <i>Supplier</i> contracts. (3) Review the <i>Specifications</i> and <i>Drawings</i> and, at the end of the Design Development Phase, make recommendations to the <i>Owner</i> and the <i>Consultant</i> as to constructability and coordination among the <i>Subcontractors</i> . 2 Estimating and Cost Control: (1) Prepare a <i>Class B Construction Cost Estimate</i> at the end of the Design Development Phase. (2) Advise the <i>Owner</i> if it appears that the <i>Construction Cost Estimate</i> may exceed the <i>Project</i> budget, and make recommendations for corrective action. (3) Establish a cost control program and prepare a cash flow forecast for the <i>Project</i> .		F2 F2	

SCHEDULE A1 TO THE AGREEMENT – SERVICES AND COMPENSATION

<p>1. PRECONSTRUCTION</p> <p><i>(Note:</i> F1 Included in the fixed amount as described in paragraph 5.2.1 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F2 Included in the percentage amount as described in paragraph 5.2.2 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F3 Fee to the Construction Manager based on time-based rates as described in paragraph 5.2.3 of Article A-5 – CONSTRUCTION MANAGER'S FEE.)</p>	<p>Performed by the Owner or someone other than the Construction Manager</p>	<p>Performed by the Construction Manager (* F1/F2/F3)</p>	<p>Not Applicable</p>
<p>1.3 Scheduling:</p> <p>(1) Review and update the <i>Project</i> schedule with appropriate details.</p> <p>(2) Advise the <i>Owner</i> if it appears that the <i>Project</i> schedule may vary from that specified in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT or otherwise agreed with the <i>Owner</i>, and make recommendations for corrective action.</p> <p>(3) Make recommendations to the <i>Owner</i> regarding any equipment or materials which should be pre-ordered to meet the <i>Project</i> schedule.</p>		<p>F2</p>	
<p>1.5 Construction Document Phase</p> <p>1 Constructability:</p> <p>(1) Provide updates as necessary regarding the availability of materials and labour, building systems, and possible economies.</p> <p>(2) Review the <i>Specifications</i> and <i>Drawings</i> and make recommendations to the <i>Owner</i> and the <i>Consultant</i> as to clarity, consistency, constructability, and coordination among the <i>Subcontractors</i>.</p> <p>(3) Assist the <i>Owner</i> and the <i>Consultant</i> in preparing bid documents for <i>Subcontractors</i>.</p> <p>(4) Assist the <i>Owner</i> in determining the contract security requirements of <i>Subcontractors</i>.</p> <p>2 Estimating and Cost Control:</p> <p>(1) Update the <i>Class B Construction Cost Estimate</i> at defined intervals of <i>Construction Documents</i> completion.</p> <p>(2) Prepare a <i>Class A Construction Cost Estimate</i> at the end of the <i>Construction Document Phase</i>.</p> <p>(3) Update the cash flow forecasts for the <i>Project</i>.</p> <p>(4) Advise the <i>Owner</i> if it appears that the <i>Construction Cost Estimate</i> may exceed the <i>Project</i> budget, and make recommendations for corrective action.</p> <p>3 Scheduling:</p> <p>(1) Review and update the <i>Project</i> schedule with appropriate details.</p> <p>(2) Advise the <i>Owner</i> if it appears that the <i>Project</i> schedule may vary from that specified in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT or otherwise agreed with the <i>Owner</i>, and make recommendations for corrective action, including changes in <i>Project</i> scope, schedule or budget.</p> <p>4 Other Services:</p> <p>(1) Make recommendations to the <i>Owner</i> regarding any equipment or materials which should be pre-ordered to meet the <i>Project</i> objective.</p>		<p>F2</p> <p>F2</p> <p>F2</p> <p>F2</p>	
<p>1.6 Construction Procurement Phase</p> <p>1 Scheduling:</p> <p>(1) Review and update the <i>Project</i> schedule with appropriate details.</p> <p>2 Contracting:</p> <p>(1) Develop methods of solicitation for <i>Subcontractors</i> and the distribution of addenda.</p> <p>(2) Prepare the prequalification criteria for <i>Subcontractors</i> and <i>Suppliers</i> as required by the <i>Owner</i>.</p> <p>(3) Review for completeness and coordinate all bid documents for the solicitation of competitive bids for the <i>Work</i> to be performed by <i>Subcontractors</i>.</p> <p>3 Other Service:</p> <p>(1) Update the cash flow forecasts for the <i>Project</i>.</p>		<p>F2</p> <p>F2</p> <p>F2</p>	

SCHEDULE A1 TO THE AGREEMENT – SERVICES AND COMPENSATION

<p>2. CONSTRUCTION</p> <p>(*Note: F1 Included in the fixed amount as described in paragraph 5.2.1 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F2 Included in the percentage amount as described in paragraph 5.2.2 of Article A-5 – CONSTRUCTION MANAGER'S FEE. F3 Fee to the Construction Manager based on time-based rates as described in paragraph 5.2.3 of Article A-5 – CONSTRUCTION MANAGER'S FEE.)</p>	<p>Performed by the Owner or someone other than the Construction Manager</p>	<p>Performed by the Construction Manager (*F1/F2/F3)</p>	<p>Not Applicable</p>
<p>2.1 General Service</p> <p>.1 Chair and minute regular <i>Project</i> meetings with the <i>Owner</i> and the <i>Consultant</i>.</p>		F2	
<p>2.2 Cost Control and Accounting</p> <p>.1 Prepare and update the <i>Construction Cost</i> and cash flow forecasts in accordance with the <i>Project</i> budget as specified in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT or otherwise agreed with the <i>Owner</i>.</p> <p>.2 Develop, implement and maintain a system of <i>Project</i> cost control and accounting.</p> <p>.3 Advise the <i>Owner</i> and the <i>Consultant</i> on the variances between actual cost and <i>Construction Cost Estimate</i>.</p> <p>.4 Provide reasonable assistance and information to permit recovery of all tax rebates where applicable.</p> <p>.5 Provide recommendations to the <i>Owner</i> for necessary changes to maintain the <i>Project</i> budget and <i>Project</i> schedule.</p>		F2 F2 F2 F2	
<p>3. POST-CONSTRUCTION</p>			
<p>3.1 General Service</p> <p>.1 Prepare final <i>Construction Cost</i> report.</p>		F2	
<p>3.2 Occupancy Review</p> <p>.1 Assist the <i>Owner</i> in conducting post-construction occupancy review.</p>		F2	

SCHEDULE A2 – REIMBURSABLE EXPENSES APPLICABLE TO SCHEDULE A1

Unless otherwise agreed to by the parties or as indicated in the following table, all expense items relating to Services are included in the *Construction Manager's Fee* for the Services as described in paragraph 5.2 of Article of the Agreement A-5 – CONSTRUCTION MANAGER'S FEE.

	Costs Included in the Construction Manager's Fee (A-5.2)	Reimbursable Expenses (A-6)
1. Travel and subsistence expenses of the <i>Construction Manager's</i> personnel outside a radius of 50km from the <i>Place of the Work</i> .	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Charges for long distance telephone and facsimile communications, courier services, reproduction of <i>Contract Documents</i> incurred in relation to the performance of this Contract.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The cost of <i>Project</i> specific information technology support in accordance with the method determined by the parties.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Deposits lost provided that they are not caused by negligent acts or omissions of the <i>Construction Manager</i> and the <i>Services</i> are performed in accordance with this Contract.		<input checked="" type="checkbox"/>
5. The costs to the <i>Construction Manager</i> that result from any <i>Subcontractor's</i> insolvency or failure to perform.		<input checked="" type="checkbox"/>
6. Charges levied by authorities having jurisdiction at the <i>Place of the Work</i> .		<input checked="" type="checkbox"/>
7. Royalties, patent licence fees and damages for infringement of patents and cost of defending suits therefore.		<input checked="" type="checkbox"/>
8. Any adjustment in taxes and duties directly related to the <i>Project</i> for which the <i>Construction Manager</i> is liable.		<input checked="" type="checkbox"/>
9. Losses and expenses sustained by the <i>Construction Manager</i> for matters which are the subject of the insurance coverages obtained pursuant to GC 1.1.1 – INSURANCE when such losses and expenses are not recoverable because the amounts are in excess of collectible amounts, within the deductible amounts or are not insurable.		<input checked="" type="checkbox"/>
10. The costs incurred due to emergencies affecting the safety of persons or property.		<input checked="" type="checkbox"/>
11. Legal costs incurred by the <i>Construction Manager</i> in relation to the performance of the <i>Services</i> provided that they are not caused by negligent acts or omissions of the <i>Construction Manager</i> and the <i>Services</i> are performed in accordance with this Contract.		<input checked="" type="checkbox"/>
12. Such other costs directly incurred by the <i>Construction Manager</i> at the performance of this Contract as follows:		<input checked="" type="checkbox"/>

DEFINITIONS

The following Definitions apply to this *Contract Documents*. References in the definition to the singular shall be considered to include the plural as the context requires.

Class A Construction Cost Estimate

The *Class A Construction Cost Estimate* is an estimate of the *Construction Cost* based on the completed *Contract Documents*. *Class A Construction Cost Estimate* is the final estimate before the bid or proposal call. *Class A Construction Cost Estimate* shall be presented in elemental format and include labour and material costs, allowance for all costs resulting from the *Project* schedule, all actual associated costs, including cash allowances, contingencies, allowances for design, escalation, market conditions and anticipated amendment amounts as applicable.

Class B Construction Cost Estimate

The *Class B Construction Cost Estimate* is an estimate of the *Construction Cost* with a level of precision that is based on the degree of completion of the *Contract Documents* at the time of preparation of the estimate. The *Class B Construction Cost Estimate* is typically prepared when all site or installation investigations are completed and the design of the major systems and sub-systems of the *Project* (including outline specifications and preliminary drawings and models) are well underway. *Class B Construction Cost Estimate* shall be presented in elemental format and include labour and material costs, allowance for all costs resulting from the *Project* schedule, all actual associated costs, including cash allowances, contingencies, allowances for design, escalation, market conditions and anticipated amendment amounts as applicable.

Class C Construction Cost Estimate

The *Class C Construction Cost Estimate* is an estimate of the *Construction Cost* based on updated *Owner* requirements, general description of the *Project*, preliminary site information and existing conditions, and takes into consideration market conditions as well as basic implementation logistics. *Class C Construction Cost Estimate* shall include labour and material costs and the *Owner's* construction contingencies and allowances.

Class D Construction Cost Estimate

The *Class D Construction Cost Estimate* is an estimate of the *Construction Cost* based on the *Owner's* functional requirements to the degree known at the time. The *Class D Construction Cost Estimate* shall as a minimum be based on historical cost data for similar projects, suitably adjusted for such factors as inflation, location, risk, quality, size, and time. All related factors affecting cost are considered to the extent possible. The *Class D Construction Cost Estimate* provides the *Owner* an indication of the order of magnitude of the *Construction Cost* for a project completed within the estimated completion date, and shall include labour and material costs and the *Owner's* construction contingencies and allowances.

Change Directive

A *Change Directive* is a written instruction prepared by the *Consultant* and signed by the *Owner* directing the *Construction Manager* to proceed with a change in the *Work* within the general scope of this *Contract* prior to the *Owner* and the *Construction Manager* agreeing upon an adjustment in any or all of the *Construction Manager's Fee*, the *Guaranteed Maximum Price* and the *Contract Time*.

Change Order

A *Change Order* is a written amendment to this *Contract* prepared by the *Consultant* and signed by the *Owner* and the *Construction Manager* stating their agreement upon:

- a change in the *Services*;
- a change in the *Work*;
- the method of adjustment or the amount of the adjustment in the *Construction Manager's Fee*, if any;
- the method of adjustment or the amount of the adjustment in the *Guaranteed Maximum Price*, if any;
- the extent of the adjustment in the *Contract Time*, if any; and
- the options described in Article A-8 of the Agreement – OPTIONS.

Construction Cost

Construction Cost means the actual cost of all elements of the *Project* including all applicable taxes but excluding the applicable value added taxes, whether recoverable or not. *Construction Cost* does not include the *Construction Manager's Fee*, the reimbursable expenses for the *Services* as described in Article A-6 of the Agreement – REIMBURSABLE EXPENSES FOR THE SERVICES and the compensation of the *Consultant*.

Construction Cost Estimate

Construction Cost Estimate is either a *Class A Construction Cost Estimate*, a *Class B Construction Cost Estimate*, a *Class C Construction Cost Estimate*, or a *Class D Construction Cost Estimate*, as the context shall require and is prepared with a level of precision commensurate with the level of detail of information available at the time.

Construction Documents

The *Construction Documents* consist of the *Specifications* and *Drawings* that are consistent with the *Contract Documents* and are prepared by the *Consultant* and accepted by the *Owner* after execution of the Agreement for the performance of the *Project*.

Construction Equipment

Construction Equipment means all machinery and equipment, either operated or not operated, that is required for preparing, fabricating, conveying, erecting, or otherwise performing the *Work* but is not incorporated into the *Work*.

Construction Manager

The *Construction Manager* is the person or entity identified as such in the Agreement.

Construction Manager's Fee

The *Construction Manager's Fee* is the *Construction Manager's* fee for performing the *Services* and the *Work* and the amount is as stipulated in Article A-5 of the Agreement – CONSTRUCTION MANAGER'S FEE.

Consultant

The *Consultant* is the person or entity engaged by the *Owner* and identified as such in the Agreement. The *Consultant* is the Architect, the Engineer or entity licensed to practise in the province or territory of the *Place of the Work*.

Contract

The *Contract* is the undertaking by the parties to perform their respective duties, responsibilities and obligations as prescribed in the *Contract Documents* and represents the entire agreement between the parties.

Contract Documents

The *Contract Documents* consist of those documents listed in Article A-4 of the Agreement – CONTRACT DOCUMENTS and amendments agreed upon between the parties.

Contract Time

The *Contract Time* is the time stipulated in paragraph 1.3 of Article A-1 of the Agreement – THE SERVICES AND THE WORK.

Cost of the Work

The *Cost of the Work* is the amount stipulated in Article A-7 of the Agreement – COST OF THE WORK which excludes *Value Added Taxes*.

Drawings

The *Drawings* are the graphic and pictorial portions of the *Contract Documents*, wherever located and whenever issued, showing the design, location and dimensions of the *Work*, generally including plans, elevations, sections, details, and diagrams.

Guaranteed Maximum Price

The *Guaranteed Maximum Price* is the amount, if any, stipulated in paragraphs 8.2 or 8.3 of Article A-8 of the Agreement – OPTIONS which excludes *Value Added Taxes*. In the event that no amount is stipulated in paragraphs 8.2 or 8.3 of Article A-8 of the Agreement – OPTIONS, the provisions pertinent to the *Guaranteed Maximum Price*, wherever they appear in this *Contract*, shall be individually inoperative and considered as deleted from this agreement.

Notice in Writing

A *Notice in Writing*, where identified in this *Contract*, is a written communication between the parties or between them and the *Consultant* that is transmitted in accordance with the provisions of Article A-10 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

Owner

The *Owner* is the person or entity identified as such in the Agreement.

Place of the Work

The *Place of the Work* is the designated site or location of the *Work* identified in the Agreement.

Price of the Services

The *Price of the Services*, which excludes *Value Added Taxes*, is the sum of the *Construction Manager's Fee* for the *Services* as stipulated in paragraph 5.2 of Article A-5 – CONSTRUCTION MANAGER'S FEE and the reimbursable expenses for the *Services* as stipulated in paragraph 6.1 of Article A-6 of the Agreement – REIMBURSABLE EXPENSES FOR THE SERVICES.

Price of the Work

The *Price of the Work*, which excludes *Value Added Taxes*, is the sum of the *Construction Manager's Fee* for the *Work* as stipulated in paragraph 5.3 of Article A-5 – CONSTRUCTION MANAGER'S FEE and the *Cost of the Work*.

Product

Product means material, machinery, equipment, and fixtures incorporated into the *Work*, but does not include *Construction Equipment*.

Project

The *Project* means the total construction as described in Article A-3 of the Agreement – DESCRIPTION OF THE PROJECT contemplated by the *Owner* of which the *Work* may be the whole or a part.

Services

The *Services* means all services described in Schedule A1 to the Agreement – SERVICES AND COMPENSATION to be performed by the *Construction Manager* under this *Contract*.

Shop Drawings

Shop Drawings are drawings, diagrams, illustrations, schedules, performance charts, brochures, *Product* data, and other data which the *Construction Manager* provides to illustrate details of portions of the *Work*.

Specifications

The *Specifications* are that portion of the *Contract Documents*, wherever located and whenever issued, consisting of the written requirements and standards for *Products*, systems, workmanship, quality, and the services necessary for the performance of the *Work*.

Subcontractor

A *Subcontractor* is a person or entity having a direct contract with the *Construction Manager* to perform a part or parts of the *Work* at the *Place of the Work*.

Substantial Performance of the Work

Substantial Performance of the Work is as defined in the lien legislation applicable to the *Place of the Work*. If such legislation is not in force or does not contain such definition, or if the *Work* is governed by the Civil Code of Quebec, *Substantial Performance of the Work* shall have been reached when the *Work* is ready for use or is being used for the purpose intended and is so certified by the *Consultant*.

Supplemental Instruction

A *Supplemental Instruction* is an instruction, not involving adjustment in the *Price of the Work* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Consultant* to supplement the *Contract Documents*, as required for the performance of the *Work*.

Supplier

A *Supplier* is a person or entity having a direct contract with the *Construction Manager* to supply *Products*.

Temporary Work

Temporary Work means temporary supports, structures, facilities, services, and other temporary items, excluding *Construction Equipment*, required for the execution of the *Work* but not incorporated into the *Work*.

Value Added Taxes

Value Added Taxes means such sums as shall be levied upon the *Owner's* payment to the *Construction Manager* by the Federal or any Provincial or Territorial government and is computed as a percentage of such payment and includes the Goods and Services Tax, the Quebec Sales Tax, the Harmonized Sales Tax, and any other similar tax, the collection and payment of which have been imposed on the *Construction Manager* by the tax legislation.

Work

The *Work* means the total construction and related services to be performed by the *Construction Manager* as required by the *Contract Documents* but does not include *Services*.

Working Day

Working Day means a day other than a Saturday, Sunday, statutory holiday or statutory vacation day that is observed by the construction industry in the area of the *Place of the Work*.

GENERAL CONDITIONS

PART I GENERAL PROVISIONS

GC 1.1 CONTRACT DOCUMENTS

- 1.1.1 The intent of the *Contract Documents* is to include the labour, *Products* and services necessary for the performance of the *Work* by the *Construction Manager* in accordance with these documents. It is not intended, however, that the *Construction Manager* shall supply products or perform services or work not consistent with, not covered by, or not properly inferable from the *Contract Documents*.
- 1.1.2 Nothing contained in the *Contract Documents* shall create any contractual relationship between:
1. the *Owner* and a *Subcontractor*, a *Supplier*, or their agent, employee, or other person performing any of the *Work*.
 2. the *Consultant* and the *Construction Manager*, a *Subcontractor*, a *Supplier*, or their agent, employee or other person performing any of the *Work*.
- 1.1.3 The components of the *Contract Documents* are complementary, and what is required by any one shall be as binding as if required by all.
- 1.1.4 Words and abbreviations which have well known technical or trade meanings are used in the *Contract Documents* in accordance with such recognized meanings.
- 1.1.5 Neither the organization of the *Specifications* nor the arrangement of *Drawings* shall control the *Construction Manager* in dividing the work among *Subcontractors* and *Suppliers*.
- 1.1.6 If there is a conflict within the *Contract Documents*:
1. the order of priority of documents, from highest to lowest, shall be:
 - the Agreement between the *Owner* and the *Construction Manager* (including the Schedules in the Agreement),
 - the Definitions,
 - Supplementary Conditions, if any
 - the General Conditions,
 - the *Construction Documents*
 - Division 1 of the *Specifications*,
 - technical *Specifications*,
 - material and finishing schedules,
 - the *Drawings*.
 2. *Drawings* of larger scale shall govern over those of smaller scale of the same date.
 3. dimensions shown on *Drawings* shall govern over dimensions scaled from *Drawings*.
 4. later dated documents shall govern over earlier documents of the same type.
 5. noted materials and annotations shall govern over graphic indications.
- 1.1.7 The *Owner* shall provide the *Construction Manager*, without charge, sufficient copies of the *Construction Documents* to perform the *Work*.
- 1.1.8 *Specifications*, *Drawings*, models, and copies thereof furnished by the *Consultant* are and shall remain the *Consultant's* property, with the exception of the signed *Contract* sets, which shall belong to each party to this *Contract*. All *Specifications*, *Drawings*, and models furnished by the *Consultant* are to be used only with respect to the *Work* and are not to be used on other work. These *Specifications*, *Drawings* and models are not to be copied or altered in any manner without the written authorization of the *Consultant*.
- 1.1.9 Models furnished by the *Construction Manager* at the *Owner's* expense are the property of the *Owner*.

GC 1.2 LAW OF THE CONTRACT

- 1.2.1 The law of the *Place of the Work* shall govern the interpretation of the *Contract*.

GC 1.3 RIGHTS AND REMEDIES

- 1.3.1 Except as expressly provided in the *Contract Documents*, the duties and obligations imposed by the *Contract Documents* and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law.

- 1.3.2 No action or failure to act by the *Owner*, *Consultant* or *Construction Manager* shall constitute a waiver of any right or duty afforded either of the parties to this *Contract*, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach hereunder, except as may be specifically agreed in writing.

GC 1.4 ASSIGNMENT

- 1.4.1 Neither party to the *Contract* shall assign the *Contract* or a portion thereof without the prior written consent of the other, which consent shall not be unreasonably withheld.

GC 1.5 PERFORMANCE OF THE SERVICES

- 1.5.1 Architectural or engineering aspects of the *Project* shall not be the responsibility of the *Construction Manager*. In providing *Services*, the *Construction Manager* assumes no responsibility for the performance of the *Consultant* nor offers any professional design advice.
- 1.5.2 Notwithstanding any other provisions of this *Contract*, the *Construction Manager* shall be deemed not to assume any duties nor responsibilities as agent of the *Owner*.

GC 1.6 PROJECT REPRESENTATIVES

- 1.6.1 The *Owner*, *Construction Manager* and *Consultant* may appoint one or more project representatives to assist in carrying out their responsibilities under this *Contract*. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing.

PART 2 ADMINISTRATION OF THE CONTRACT

GC 2.1 OWNER'S RESPONSIBILITIES

- 2.1.1 The *Owner* shall:
- 1 provide full and timely information and approvals regarding the requirements of the *Project* for the orderly progress of the *Services* and the *Work*;
 - 2 review documents submitted by the *Construction Manager* and give the *Construction Manager* timely decisions for the orderly progress of the *Services* and the *Work*;
 - 3 furnish promptly to the *Construction Manager* all information that is available or requested by the *Construction Manager* regarding the *Place of the Work* including surveys as to the physical characteristics of the site, soils reports, subsurface investigations, legal limitations, utility locations, and legal description. Subject to paragraph 9.1.2 of GC 9.1 – PROTECTION OF WORK AND PROPERTY, the *Construction Manager* shall be entitled to rely on such information;
 - 4 designate in writing a representative who shall be fully acquainted with the *Work*, and shall have the authority to act on the *Owner's* behalf in relation to all duties and responsibilities of the *Owner* under this *Contract*;
 - 5 retain the *Consultant* who shall be responsible for the design and design related services required for the *Work*;
 - 6 inform the *Construction Manager* of the scope and terms of the *Consultant's* services;
 - 7 inform the *Consultant* of the scope and terms of the *Services* and the *Work*;
 - 8 immediately notify the *Construction Manager* if the *Owner* observes or otherwise becomes aware of any fault or defect in the *Project* or any non-conformity with the requirements of the *Contract*; and
 - 9 coordinate and facilitate the *Services* of the *Construction Manager* and the *Consultant's* services.

GC 2.2 AUTHORITY OF THE CONSULTANT

- 2.2.1 The *Consultant* will have authority to act on behalf of the *Owner* only to the extent provided in the *Contract Documents*, unless otherwise modified by written agreement as provided in paragraph 2.2.2.
- 2.2.2 The duties, responsibilities and limitations of authority of the *Consultant* as set forth in the *Contract Documents* may be modified or extended only with the written consent of the *Construction Manager* following consultation with the *Consultant*.
- 2.2.3 If the *Consultant's* employment is terminated, the *Owner* shall immediately appoint or reappoint a *Consultant* against whom the *Construction Manager* makes no reasonable objection and whose duties, responsibilities and limitations of authority under the *Contract Documents* will be that of the former *Consultant*.

GC 2.3 CONSULTANT'S RESPONSIBILITIES

- 2.3.1 The *Consultant* will provide administration of the *Work* as described in the *Contract Documents*.
- 2.3.2 The *Consultant* will visit the *Place of the Work* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the *Work* and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*.
- 2.3.3 If the *Owner* and the *Consultant* agree, the *Consultant* will provide at the *Place of the Work*, one or more project representatives to assist in carrying out the *Consultant's* responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the *Construction Manager*.
- 2.3.4 The *Consultant* will promptly inform the *Owner* of the date of receipt of the *Construction Manager's* applications for payment for the *Work* performed as provided in paragraph 5.3.7.1 of GC 5.4 – PROGRESS PAYMENT FOR THE WORK.
- 2.3.5 Based on the *Consultant's* observations and evaluation of the *Construction Manager's* applications for payment for the *Work* performed, the *Consultant* will determine the amounts owing to the *Construction Manager* for the *Price of the Work* and will issue certificates for payment as provided in Article A-9 of the Agreement – PAYMENT, GC 5.4 – PROGRESS PAYMENT FOR THE WORK and GC 5.8 – FINAL PAYMENT FOR THE WORK.
- 2.3.6 The *Consultant* will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations or general construction practice. The *Consultant* will not be responsible for the *Construction Manager's* failure to carry out the *Work* in accordance with the *Contract Documents*. The *Consultant* will not have control over, charge of or be responsible for the acts or omissions of the *Construction Manager, Subcontractors, Suppliers,* or their agents, employees, or any other persons performing portions of the *Work*.
- 2.3.7 Except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, the *Consultant* will be, in the first instance, the interpreter of the requirements of the *Work*.
- 2.3.8 Matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents*, except with respect to the scope, fee and reimbursable expenses of the *Services*, shall be initially referred in writing to the *Consultant* by the party raising the question for interpretations and findings and copied to the other party.
- 2.3.9 Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents* as they relate to the *Work*. In making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Construction Manager*.
- 2.3.10 The *Consultant's* interpretations and findings will be given in writing to the parties within a reasonable time.
- 2.3.11 With respect to claims for a change in *Price of the Work*, the *Consultant* will make findings as set out in GC 6.6 – CLAIMS FOR A CHANGE IN CONSTRUCTION MANAGER'S FEE FOR THE SERVICES, THE PRICE OF THE WORK OR THE GUARANTEED MAXIMUM PRICE.
- 2.3.12 The *Consultant* will have authority to reject work which in the *Consultant's* opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Construction Manager, Subcontractor, Suppliers,* or their agents, employees, or other persons performing any of the *Work*.
- 2.3.13 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Construction Manager* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Construction Manager*.
- 2.3.14 The *Consultant* will review and take appropriate action upon *Shop Drawings, samples* and other *Construction Manager's* submittals which are provided in accordance with the *Construction Documents*.
- 2.3.15 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 2.3.16 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* as provided in GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK.

- 2.3.17 All certificates issued by the *Consultant* will be to the best of the *Consultant's* knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.
- 2.3.18 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Construction Manager* and will forward such warranties and documents to the *Owner* for the *Owner's* acceptance.

GC 2.4 REVIEW AND INSPECTION OF THE WORK

- 2.4.1 The *Construction Manager* shall provide the *Owner* and the *Consultant* access to the *Work* at all times. The *Construction Manager* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.
- 2.4.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, or by the *Consultant's* instructions, or by the laws or ordinances of the *Place of the Work*, the *Construction Manager* shall give the *Consultant* reasonable notification of when the work will be ready for review and inspection. The *Construction Manager* shall arrange for and shall give the *Consultant* reasonable notification of the date and time of inspections by other authorities.
- 2.4.3 The *Construction Manager* shall furnish promptly to the *Consultant* two copies of certificates and inspection reports relating to the *Work*.
- 2.4.4 If the *Construction Manager* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Construction Manager* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Construction Manager's* expense.
- 2.4.5 The *Consultant* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Construction Manager* shall correct the work and pay the cost of examination and correction at the *Construction Manager's* expense. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.

GC 2.5 DEFECTIVE WORK

- 2.5.1 The *Construction Manager* shall promptly correct defective work that has been rejected by the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work has been incorporated in the *Work* and whether or not the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Construction Manager*. Subject to paragraph 7.1.9 of Article A-7 of the Agreement – COST OF THE WORK, the correction of defective work shall be at the *Construction Manager's* expense.
- 2.5.2 The *Construction Manager* shall promptly make good other contractors' work destroyed or damaged by such removals or replacements. Subject to paragraph 7.1.9 of Article A-7 of the Agreement – COST OF THE WORK, the correction of destroyed or damaged work shall be at the *Construction Manager's* expense.
- 2.5.3 If in the opinion of the *Consultant* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Construction Manager* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Construction Manager* do not agree on the difference in value, they shall refer the matter to the *Consultant* for a finding.

PART 3 PERFORMANCE OF THE SERVICES AND EXECUTION OF THE WORK

GC 3.1 CONTROL OF THE WORK

- 3.1.1 The *Construction Manager* shall have total control of the *Work* and shall effectively direct and supervise the *Work* so as to ensure conformity with the *Contract Documents*.
- 3.1.2 The *Construction Manager* shall be solely responsible for construction means, methods, techniques, sequences, and procedures and for co-ordinating the various parts of the *Work* under the *Contract*.

GC 3.2 CONSTRUCTION BY OWNER OR OTHER CONTRACTORS

- 3.2.1 The *Owner* reserves the right to award separate contracts in connection with other parts of the *Project* to other contractors and to perform work with own forces.
- 3.2.2 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner's* own forces, the *Owner* shall:
- 1 provide for the co-ordination of the activities and work of other contractors and *Owner's* own forces with the *Work*;
 - 2 assume overall responsibility for compliance with the applicable health and construction safety legislation at the *Place of the Work*;
 - 3 enter into separate contracts with other contractors under conditions of contract which are compatible with the conditions of the *Contract*;
 - 4 ensure that insurance coverage is provided to the same requirements as are called for in GC 11.1 – INSURANCE and co-ordinate such insurance with the insurance coverage of the *Construction Manager* as it affects the *Work*; and
 - 5 take all reasonable precautions to avoid labour disputes or other disputes on the *Project* arising from the work of other contractors or the *Owner's* own forces.
- 3.2.3 When separate contracts are awarded for other parts of the *Project*, or when work is performed by the *Owner's* own forces, the *Construction Manager* shall:
- 1 afford the *Owner* and other contractors reasonable opportunity to store their products and execute their work;
 - 2 cooperate with other contractors and the *Owner* in reviewing their construction schedules; and
 - 3 promptly report to the *Consultant* in writing any apparent deficiencies in the work of other contractors or of the *Owner's* own forces, where such work affects the proper execution of any portion of the *Work*, prior to proceeding with that portion of the *Work*.
- 3.2.4 Where the *Contract Documents* identify work to be performed by other contractors or the *Owner's* own forces, the *Construction Manager* shall co-ordinate and schedule the *Work* with the work of other contractors and the *Owner's* own forces as specified in the *Contract Documents*.
- 3.2.5 Where a change in the *Work* is required as a result of the co-ordination and integration of the work of other contractors or *Owner's* own forces with the *Work*, the changes shall be authorized and valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 3.2.6 Disputes and other matters in question between the *Construction Manager* and other contractors shall be dealt with as provided in Part 8 of the General Conditions – DISPUTE RESOLUTION provided the other contractors have reciprocal obligations. The *Construction Manager* shall be deemed to have consented to arbitration of any dispute with any contractor whose contract with the *Owner* contains a similar agreement to arbitrate.

GC 3.3 TEMPORARY WORK

- 3.3.1 The *Construction Manager* shall have the sole responsibility for the design, erection, operation, maintenance, and removal of *Temporary Work*.
- 3.3.2 The *Construction Manager* shall engage and pay for registered professional engineering personnel skilled in the appropriate disciplines to perform those functions referred to in paragraph 3.3.1 where required by law or by the *Contract Documents* and in all cases where such *Temporary Work* is of such a nature that professional engineering skill is required to produce safe and satisfactory results.
- 3.3.3 Notwithstanding the provisions of GC 3.1 – CONTROL OF THE WORK, paragraph 3.3.1 and paragraph 3.3.2 or provisions to the contrary elsewhere in the *Contract Documents* where such *Contract Documents* include designs for *Temporary Work* or specify a method of construction in whole or in part, such designs or methods of construction shall be considered to be part of the design of the *Work* and the *Construction Manager* shall not be held responsible for that part of the design or the specified method of construction. The *Construction Manager* shall, however, be responsible for the execution of such design or specified method of construction in the same manner as for the execution of the *Work*.

GC 3.4. REVIEW OF DRAWINGS, SPECIFICATIONS AND MATERIAL AND FINISH SCHEDULES

- 3.4.1 The *Construction Manager* shall review the *Drawings, Specifications* and material and finish schedules and shall report promptly to the *Consultant* any error, inconsistency or omission the *Construction Manager* may discover. If the *Construction Manager* does discover any error, inconsistency or omission in the *Drawings, Specifications* and material and finish schedules, the *Construction Manager* shall not proceed with the work affected until the *Construction Manager* has received corrected or missing information from the *Consultant*.
- 3.4.2 The review of *Drawings, Specifications* and material and finish schedules under paragraph 3.4.1 shall be to the best of the *Construction Manager's* knowledge, information and belief. In making such review the *Construction Manager* assumes no responsibility for the accuracy of the review. The *Construction Manager* shall not be liable for any damage or costs resulting from errors, inconsistencies or omissions, which the *Construction Manager* did not discover.

GC 3.5. CONSTRUCTION SCHEDULE

- 3.5.1 The *Construction Manager* shall:
- 1 prepare and submit to the *Owner* and the *Consultant* prior to the first application for payment, a construction schedule that indicates the timing of the major activities of the *Work* and provides sufficient detail of the critical events and their inter-relationship to demonstrate that the *Work* will be performed in conformity with the *Contract Time*;
 - 2 monitor the progress of the *Work* relative to the construction schedule and update the construction schedule on a monthly basis or as stipulated by the *Contract Documents*; and
 - 3 advise the *Consultant* of any revisions required to the construction schedule as the result of extensions of the *Contract Time* as provided in Part 6 of the General Conditions – CHANGES.

GC 3.6. SUPERVISION

- 3.6.1 The *Construction Manager* shall provide all necessary supervision and appoint a competent representative who shall be in attendance at the *Place of the Work* while work is being performed. The *Construction Manager* may appoint a new representative for a valid reason and to whom the *Owner* makes no reasonable objection.
- 3.6.2 The appointed representative shall represent the *Construction Manager* at the *Place of the Work*. Information and instructions provided by the *Consultant* to the *Construction Manager's* appointed representative shall be deemed to have been received by the *Construction Manager*, except with respect to Article A-10 of the Agreement – RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING.

GC 3.7. SUBCONTRACTORS AND SUPPLIERS

- 3.7.1 The *Construction Manager* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:
- 1 enter into contracts or written agreements with *Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;
 - 2 incorporate the terms and conditions of the *Contract Documents* into all contracts or written agreements with *Subcontractors* and *Suppliers*; and
 - 3 subject to paragraph 7.1.9 of Article A-7 of the Agreement – COST OF THE WORK, be as fully responsible to the *Owner* for acts and omissions of *Subcontractors, Suppliers* and of persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Construction Manager*.
- 3.7.2 The *Construction Manager* shall, before entering into contracts or written agreements with *Subcontractors* and *Suppliers*, submit to the *Owner* all bids received for the various parts of the *Work* to be subcontracted and obtain the *Owner's* acceptance of the *Subcontractors* and *Suppliers* selected.
- 3.7.3 The *Construction Manager* shall cause to be obtained contract security from *Subcontractors* to the extent and for the amounts approved by the *Owner*.
- 3.7.4 The *Construction Manager* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to which the *Construction Manager* may reasonably object.
- 3.7.5 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor's* or *Supplier's* work which has been certified for payment.

GC 3.8 LABOUR AND PRODUCTS

- 3.8.1 The *Construction Manager* shall maintain good order and discipline among the *Construction Manager's* employees engaged on the *Work* and shall not employ on the *Work* anyone not skilled in the tasks assigned.
- 3.8.2 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.

GC 3.9 DOCUMENTS AT THE SITE

- 3.9.1 The *Construction Manager* shall keep one copy of current *Construction Documents*, submittals, reports, and records of meetings at the *Place of the Work*, in good order and available to the *Owner* and the *Consultant*.

GC 3.10 SHOP DRAWINGS

- 3.10.1 The *Construction Manager* shall provide *Shop Drawings* as required in the *Construction Documents*.
- 3.10.2 The *Construction Manager* shall provide *Shop Drawings* to the *Consultant* to review in orderly sequence and sufficiently in advance so as to cause no delay in the *Work* or in the work of other contractors.
- 3.10.3 Upon request of the *Construction Manager* or the *Consultant*, they shall jointly prepare a schedule of the dates for provision, review and return of *Shop Drawings*.
- 3.10.4 The *Construction Manager* shall provide *Shop Drawings* in the form specified, or if not specified, as directed by the *Consultant*.
- 3.10.5 *Shop Drawings* provided by the *Construction Manager* to the *Consultant* shall indicate by stamp, date and signature of the person responsible for the review that the *Construction Manager* has reviewed each one of them.
- 3.10.6 The *Consultant's* review is for conformity to the design concept and for general arrangement only.
- 3.10.7 *Shop Drawings* which require approval of any legally constituted authority having jurisdiction shall be provided to such authority by the *Construction Manager* for approval.
- 3.10.8 The *Construction Manager* shall review all *Shop Drawings* before providing them to the *Consultant*. The *Construction Manager* represents by this review that:
1. the *Construction Manager* has determined and verified all applicable field measurements, field construction conditions, *Product* requirements, catalogue numbers and similar data, or will do so, and
 2. the *Construction Manager* has checked and co-ordinated each *Shop Drawing* with the requirements of the *Work* and of the *Construction Documents*.
- 3.10.9 At the time of providing *Shop Drawings*, the *Construction Manager* shall expressly advise the *Consultant* in writing of any deviations in a *Shop Drawing* from the requirements of the *Construction Documents*. The *Consultant* shall indicate the acceptance or rejection of such deviation expressly in writing.
- 3.10.10 The *Consultant's* review shall not relieve the *Construction Manager* of responsibility for errors or omissions in the *Shop Drawings* or for meeting all requirements of the *Construction Documents*.
- 3.10.11 The *Construction Manager* shall provide revised *Shop Drawings* to correct those which the *Consultant* rejects as inconsistent with the *Construction Documents*, unless otherwise directed by the *Consultant*. The *Construction Manager* shall notify the *Consultant* in writing of any revisions to the *Shop Drawings* other than those requested by the *Consultant*.
- 3.10.12 The *Consultant* will review and return *Shop Drawings* in accordance with the schedule agreed upon, or, in the absence of such schedule, with reasonable promptness so as to cause no delay in the performance of the *Work*.

GC 3.11 USE OF THE WORK

- 3.11.1 The *Construction Manager* shall confine *Construction Equipment*, *Temporary Work*, storage of *Products*, waste products and debris, and operations of employees and *Subcontractors* to limits indicated by laws, ordinances, permits, or the *Contract Documents* and shall not unreasonably encumber the *Place of the Work*.
- 3.11.2 The *Construction Manager* shall not load or permit to be loaded any part of the *Work* with a weight or force that will endanger the safety of the *Work*.

GC 3.12 CUTTING AND REMEDIAL WORK

- 3.12.1 The *Construction Manager* shall perform the cutting and remedial work required to make the affected parts of the *Work* come together properly.
- 3.12.2 The *Construction Manager* shall co-ordinate the *Work* to ensure that the cutting and remedial work is kept to a minimum.
- 3.12.3 Should the *Owner*, the *Consultant*, other contractors or anyone employed by them be responsible for poorly timed work necessitating cutting or remedial work to be performed, the cost of such cutting or remedial work shall be valued as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 3.12.4 Cutting and remedial work shall be performed by specialists familiar with the *Products* affected and shall be performed in a manner to neither damage nor endanger the *Work*.

GC 3.13 CLEANUP

- 3.13.1 The *Construction Manager* shall maintain the *Work* in a safe and tidy condition and free from the accumulation of waste products and debris, other than that caused by the *Owner*, other contractors or their employees.
- 3.13.2 Before applying for *Substantial Performance of the Work* as provided in GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK, the *Construction Manager* shall remove waste products and debris, other than that resulting from the work of the *Owner*, other contractors or their employees, and shall leave the *Place of the Work* clean and suitable for use or occupancy by the *Owner*. The *Construction Manager* shall remove products, tools, *Construction Equipment*, and *Temporary Work* not required for the performance of the remaining work.
- 3.13.3 Prior to application for the final payment, the *Construction Manager* shall remove any remaining products, tools, *Construction Equipment*, and *Temporary Work*, and waste products and debris, other than that resulting from the work of the *Owner*, other contractors or their employees.

PART 4 ALLOWANCE

GC 4.1 CASH ALLOWANCES

- 4.1.1 Cash allowances may be stated in this *Contract* if the *Guaranteed Maximum Price* is stipulated in paragraphs 8.2 or 8.3 of Article A-8 of the Agreement – OPTIONS.
- 4.1.2 The *Price of the Work* includes the cash allowances, if any, stated in this *Contract*. The scope of work or costs included in such cash allowances shall be as described in this *Contract*.
- 4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Consultant*.
- 4.1.4 Where costs under any cash allowance exceed the amount of the allowance specified in this *Contract*, the *Construction Manager's Fee* for the *Work* and the *Guaranteed Maximum Price* shall be adjusted by *Change Order* to compensate the *Construction Manager* for any excess incurred and substantiated. Where costs under any cash allowance are less than the amount of the allowance, the *Owner* shall be credited for the unexpended portion of the cash allowance, but not for the *Construction Manager's* overhead and profit on such amount. Multiple cash allowances shall not be combined for the purpose of calculating the foregoing.
- 4.1.5 The *Construction Manager's* overhead and profit in connection with such cash allowances is eligible to be included in progress payments on account of the *Construction Manager's Fee* for the *Work*.
- 4.1.6 The value of the *Work* performed under a cash allowance is eligible to be included in progress payments on account of the *Cost of the Work*.
- 4.1.7 The *Construction Manager* and the *Consultant* shall jointly prepare a schedule that shows when the *Consultant* and the *Owner* must authorize ordering of items called for under cash allowances to avoid delaying the progress of the *Work*.

PART 5 PAYMENT

GC 5.1 FINANCING INFORMATION REQUIRED OF THE OWNER

- 5.1.1 The *Owner* shall, at the request of the *Construction Manager*, before signing the *Contract*, and promptly from time to time thereafter, furnish to the *Construction Manager* reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*.
- 5.1.2 The *Owner* shall give the *Construction Manager Notice in Writing* of any material change in the *Owner's* financial arrangements to fulfill the *Owner's* obligations under the *Contract* during the performance of the *Contract*.

GC 5.2 ACCOUNTING AND AUDIT

- 5.2.1 The *Construction Manager* shall keep full and detailed accounts and records necessary for the documentation of the *Cost of the Work*.
- 5.2.2 For 60 calendar days after the application for final payment or for such other period specified in the *Contract*, the *Owner* shall be afforded reasonable access to all of the *Construction Manager's* books, records, correspondence, instructions, drawings, receipt vouchers, *Subcontractor* and *Supplier* invoices, and memoranda relating to the *Cost of the Work*, and for this purpose the *Construction Manager* shall preserve all such records.

GC 5.3 PROGRESS PAYMENT FOR THE SERVICES

- 5.3.1 The *Owner* shall make payment for the *Construction Manager's Fee* for the *Services* as described in paragraph of 5.2 of Article A-5 of the Agreement – CONSTRUCTION MANAGER'S FEE and on account of the reimbursable expenses for the *Services* as described in Article A-6 of the Agreement – REIMBURSABLE EXPENSES FOR THE SERVICES no later than 20 calendar days after receipt of an application for payment for the *Services* submitted by the *Construction Manager*.
- 5.3.2 The application for payment for the reimbursable expenses for the *Services* shall include items of cost as defined in Schedule A2 to the Agreement – REIMBURSABLE EXPENSES APPLICABLE TO SCHEDULE A1 and other support documents required by the *Owner* in accordance with the *Contract Documents*.

GC 5.4 PROGRESS PAYMENT FOR THE WORK

- 5.4.1 Applications for payment on account as provided in Article A-9 of the Agreement – PAYMENT may be made monthly as the *Work* progresses.
- 5.4.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.
- 5.4.3 The amount applied for shall be the cost of the *Work* performed and *Products* delivered to the *Place of the Work* or other locations designated by the *Owner* in accordance with the provisions of Article A-7 of the Agreement – COST OF THE WORK, as of the last day of the month or an alternative day of the month agreed in writing by the parties plus the *Construction Manager's Fee* for the *Work* earned in accordance with the provisions of Article A-5 of the Agreement – CONSTRUCTION MANAGER'S FEE.
- 5.4.4 The application for payment for the *Work* shall include items of cost as defined in Article A-7 of the Agreement – COST OF THE WORK and other support documents required by the *Owner* as in accordance with the *Contract Documents*.
- 5.4.5 When submitting the second and succeeding applications for payment, the *Construction Manager* shall furnish receipted vouchers or other satisfactory evidence of payment for all items included in the preceding applications. If the *Owner* has reasonable grounds for believing that any amount included in preceding applications has not been paid the *Owner* may withhold payment in respect of such amount from the current application until satisfactory evidence of payment is given by the *Construction Manager*.
- 5.4.6 Applications for payment for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

- 5.4.7 After receipt by the *Consultant* of an application for payment for the *Work* submitted by the *Construction Manager* in accordance with paragraphs 5.4.1 to 5.4.6:
- 1 the *Consultant* will promptly inform the *Owner* of the date of receipt of the *Construction Manager's* application for payment;
 - 2 the *Consultant* will issue to the *Owner* and copy to the *Construction Manager*, no later than 10 calendar days after the receipt of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* amends the application, the *Consultant* will promptly advise the *Construction Manager* in writing giving reasons for the amendment; and
 - 3 the *Owner* shall make payment to the *Construction Manager* on account as provided in Article A-9 of the Agreement—PAYMENT on or before 20 calendar days after the later of:
 - receipt by the *Consultant* of the application for payment, or
 - the last day of the monthly payment period for which the application for payment is made.

GC 5.5 SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.5.1 When the *Construction Manager* considers that the *Work* is substantially performed, or if permitted by the lien legislation applicable to the *Place of the Work* a designated portion thereof which the *Owner* agrees to accept separately is substantially performed, the *Construction Manager* shall, within 1 *Working Day*, deliver to the *Consultant* and to the *Owner* a comprehensive list of items to be completed or corrected, together with a written application for a review by the *Consultant* to establish *Substantial Performance of the Work* or of the designated portion of the *Work*. Failure to include an item on the list does not alter the responsibility of the *Construction Manager* to complete the *Contract*.
- 5.5.2 The *Consultant* will review the *Work* to verify the validity of the application and shall promptly, and in any event, no later than 20 calendar days after receipt of the *Construction Manager's* list and application:
- 1 advise the *Construction Manager* in writing that the *Work* or the designated portion of the *Work* is not substantially performed and give reasons why; or
 - 2 state the date of *Substantial Performance of the Work* or a designated portion of the *Work* in a certificate and issue a copy of that certificate to each of the *Owner* and the *Construction Manager*.
- 5.5.3 Immediately following the issuance of the certificate of *Substantial Performance of the Work* or a designated portion of the *Work*, the *Construction Manager*, in consultation with the *Consultant*, shall establish a reasonable date for finishing the *Work*.

GC 5.6 PAYMENT OF HOLDBACK UPON SUBSTANTIAL PERFORMANCE OF THE WORK

- 5.6.1 After the issuance of the certificate of *Substantial Performance of the Work*, the *Construction Manager* shall:
- 1 submit an application for payment of the holdback amount;
 - 2 submit CCDC 9A "Statutory Declaration" to state that all accounts for labour, subcontracts, *Products*, *Construction Equipment*, and other indebtedness which may have been incurred by the *Construction Manager* in the *Substantial Performance of the Work* and for which the *Owner* might in any way be held responsible have been paid in full, except for amounts properly retained as a holdback or as an identified amount in dispute.
- 5.6.2 After the receipt of an application for payment from the *Construction Manager* and the statement as provided in paragraph 5.6.1, the *Consultant* will issue a certificate for payment of the holdback amount.
- 5.6.3 Where the holdback amount required by the applicable lien legislation has not been placed in a separate holdback account, the *Owner* shall, 10 calendar days prior to the expiry of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*, place the holdback amount in a bank account in the joint names of the *Owner* and the *Construction Manager*.
- 5.6.4 In the common law jurisdictions, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable on the first calendar day following the expiration of the holdback period stipulated in the lien legislation applicable to the *Place of the Work*. Where lien legislation does not exist or apply, the holdback amount shall be due and payable in accordance with other legislation, industry practice or provisions which may be agreed to between the parties. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Work*, other third party monetary claims against the *Construction Manager* which are enforceable against the *Owner*.
- 5.6.5 In the Province of Quebec, the holdback amount authorized by the certificate for payment of the holdback amount is due and payable 30 calendar days after the issuance of the certificate. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Construction Manager* which are enforceable against the *Owner*.

GC 5.7 PROGRESSIVE RELEASE OF HOLDBACK FOR THE WORK

- 5.7.1 In the common law jurisdictions, where legislation permits and where, upon application by the *Construction Manager*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Construction Manager* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, on the first calendar day following the expiration of the holdback period for such work stipulated in the lien legislation applicable to the *Place of the Work*. The *Owner* may retain out of the holdback amount any sums required by law to satisfy any liens against the *Work* or, if permitted by the lien legislation applicable to the *Place of the Work*, other third party monetary claims against the *Construction Manager* which are enforceable against the *Owner*.
- 5.7.2 In the Province of Quebec, where, upon application by the *Construction Manager*, the *Consultant* has certified that the work of a *Subcontractor* or *Supplier* has been performed prior to *Substantial Performance of the Work*, the *Owner* shall pay the *Construction Manager* the holdback amount retained for such subcontract work, or the *Products* supplied by such *Supplier*, no later than 30 calendar days after such certification by the *Consultant*. The *Owner* may retain out of the holdback amount any sums required to satisfy any legal hypothecs that have been taken, or could be taken, against the *Work* or other third party monetary claims against the *Construction Manager* which are enforceable against the *Owner*.
- 5.7.3 Notwithstanding the provisions of the preceding paragraphs, and notwithstanding the wording of such certificates, the *Construction Manager* shall ensure that such subcontract work or *Products* are protected pending the issuance of a final certificate for payment and be responsible for the correction of defects or work not performed regardless of whether or not such was apparent when such certificates were issued.

GC 5.8 FINAL PAYMENT FOR THE WORK

- 5.8.1 When the *Construction Manager* considers that the *Work* is completed, the *Construction Manager* shall submit an application for final payment.
- 5.8.2 The *Consultant* will, no later than 10 calendar days after the receipt of an application from the *Construction Manager* for final payment, review the *Work* to verify the validity of the application and advise the *Construction Manager* in writing that the application is valid or give reasons why it is not valid.
- 5.8.3 When the *Consultant* finds the *Construction Manager's* application for final payment valid, the *Consultant* will promptly issue a final certificate for payment.
- 5.8.4 Subject to the provision of paragraph 10.4.1 of GC 10.4 – WORKERS' COMPENSATION and any lien legislation applicable to the *Place of the Work*, the *Owner* shall, no later than 5 calendar days after the issuance of a final certificate for payment, pay the *Construction Manager* as provided in Article A-9 of the Agreement – PAYMENT.

GC 5.9 WITHHOLDING OF PAYMENT FOR THE WORK

- 5.9.1 If because of climatic or other conditions reasonably beyond the control of the *Construction Manager*, there are items of work that cannot be performed, payment in full for that portion of the *Work* which has been performed as certified by the *Consultant* shall not be withheld or delayed by the *Owner* on account thereof, but the *Owner* may withhold, until the remaining portion of the *Work* is finished, only such an amount that the *Consultant* determines is sufficient and reasonable to cover the cost of performing such remaining work.

GC 5.10 NON-CONFORMING WORK

- 5.10.1 No payment by the *Owner* under the *Contract* nor partial or entire use or occupancy of the *Work* by the *Owner* shall constitute an acceptance of any portion of the *Work* or *Products* which are not in accordance with the requirements of the *Contract Documents*.

PART 6 CHANGES

GC 6.1 OWNER'S RIGHT TO MAKE CHANGES

- 6.1.1 The *Owner*, through the *Consultant*, without invalidating the *Contract*, may make:
- 1 changes in the *Work* consisting of additions, deletions, or other revisions to the *Work* by *Change Order* or *Change Directive*, and
 - 2 changes to the *Contract Time* for the *Work*, or any part thereof, by *Change Order*.

- 6.1.2 The *Construction Manager* shall not perform a change in the *Work* without a *Change Order* or a *Change Directive*.
- 6.1.3 The *Owner* and the *Construction Manager*, without invalidating the *Contract*, may agree to make changes to the *Services*.

GC 6.2 CHANGE ORDER

- 6.2.1 When a change in the *Work* is proposed or required, the *Consultant* shall provide the *Construction Manager* with a written description of the proposed change in the *Work*. The *Construction Manager* shall promptly present, in a form acceptable to the *Consultant*, a method of adjustment or an amount of adjustment for the *Construction Manager's Fee*, a method of adjustment or an amount of adjustment for the *Guaranteed Maximum Price*, and the adjustment in the *Contract Time*, as applicable, for the proposed change in the *Work*.
- 6.2.2 When the *Owner* and *Construction Manager* agree to the adjustments in the *Construction Manager's Fee*, the *Guaranteed Maximum Price* and the *Contract Time*, or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in applications for progress payment.
- 6.2.3 When the *Owner* and *Construction Manager* agree to exercise the stipulated price option at any time during the term of the *Contract*, such agreement shall be recorded in a *Change Order*.

GC 6.3 CHANGE DIRECTIVE

- 6.3.1 If the *Owner* requires the *Construction Manager* to proceed with a change in the *Work* prior to the *Owner* and the *Construction Manager* agreeing upon any corresponding adjustment in the *Construction Manager's Fee*, the *Guaranteed Maximum Price* and the *Contract Time*, the *Owner*, through the *Consultant*, shall issue a *Change Directive*.
- 6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.
- 6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.
- 6.3.4 Upon receipt of a *Change Directive*, the *Construction Manager* shall proceed promptly with the change in the *Work*.
- 6.3.5 If no method of adjustment is agreed:
1. the adjustment in the *Construction Manager's Fee* for a change carried out by way of a *Change Directive* shall be determined on the basis of the changes in costs of the *Construction Manager*; and
 2. the *Guaranteed Maximum Price* shall be adjusted by the changes in the *Cost of Work* and in the *Construction Manager's Fee* for the *Work* resulting from a *Change Directive*.
- 6.3.6 Pending determination of the adjustment to the *Construction Manager's Fee* required as a result of a *Change Directive*, the *Cost of the Work* incurred and the undisputed amount of the *Construction Manager's Fee* as the result of a *Change Directive* is eligible to be included in progress payments, notwithstanding the limit imposed by the *Guaranteed Maximum Price*.
- 6.3.7 If the *Owner* and the *Construction Manager* do not agree on the proposed adjustment in the *Construction Manager's Fee*, the *Guaranteed Maximum Price*, the *Contract Time*, or in the method of determining them, the adjustment shall be referred to the *Consultant* for a finding.
- 6.3.8 When the *Owner* and the *Construction Manager* reach agreement on the adjustment to the *Construction Manager's Fee*, the *Guaranteed Maximum Price* and the *Contract Time*, this agreement shall be recorded in a *Change Order*.

GC 6.4 CONCEALED OR UNKNOWN CONDITIONS

- 6.4.1 If the *Owner* or the *Construction Manager* discovers conditions at the *Place of the Work* which are:
1. subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* which differ materially from those indicated in the *Contract Documents*; or
 2. physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*,
- then the observing party shall give *Notice in Writing* to the other party of such conditions before they are disturbed and in no event later than 5 *Working Days* after first observance of the conditions.

- 6.4.2 The *Consultant* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would justify an increase or decrease in the *Construction Manager's Fee* for the *Work*, the *Guaranteed Maximum Price* or the *Contract Time*, the *Consultant*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.
- 6.4.3 If the *Consultant* finds that the conditions at the *Place of the Work* are not materially different or that no change in the *Construction Manager's Fee* for the *Work*, the *Guaranteed Maximum Price* or the *Contract Time* is justified, the *Consultant* will report the reasons for this finding to the *Owner* and the *Construction Manager* in writing.
- 6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 – ARTIFACTS AND FOSSILS and GC 9.5 – MOULD.

GC 6.5 DELAYS

- 6.5.1 If the *Construction Manager* is delayed in the performance of the *Work* by an action or omission of the *Owner*, *Consultant* or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The *Construction Manager's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for costs incurred by the *Construction Manager* as the result of such delay.
- 6.5.2 If the *Construction Manager* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Construction Manager* or any person employed or engaged by the *Construction Manager* directly or indirectly, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The *Construction Manager's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for costs incurred by the *Construction Manager* as the result of such delay.
- 6.5.3 If the *Construction Manager* is delayed in the performance of the *Work* by:
1. labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Construction Manager* is a member or to which the *Construction Manager* is otherwise bound),
 2. fire, unusual delay by common carriers or unavoidable casualties,
 3. abnormally adverse weather conditions, or
 4. any cause beyond the *Construction Manager's* control other than one resulting from a default or breach of *Contract* by the *Construction Manager*,
- then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Construction Manager* agrees to a shorter extension. The *Construction Manager's Fee* and the *Guaranteed Maximum Price* shall be adjusted by a reasonable amount for overhead costs incurred by the *Construction Manager* as the result of such delay.
- 6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of the delay is given to the *Consultant* not later than 10 *Working Days* after the commencement of the delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.
- 6.5.5 If no schedule is made under paragraph 2.3.13 of GC 2.3 – CONSULTANT'S RESPONSIBILITIES or paragraph 3.5.1 of GC 3.5 – CONSTRUCTION SCHEDULE, then no request for extension shall be made because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

GC 6.6 CLAIMS FOR A CHANGE IN CONSTRUCTION MANAGER'S FEE FOR THE SERVICES, THE PRICE OF THE WORK OR THE GUARANTEED MAXIMUM PRICE

- 6.6.1 If the *Construction Manager* intends to make a claim for an increase to the *Construction Manager's Fee* for the *Services*, the *Price of the Work* or the *Guaranteed Maximum Price*, or if the *Owner* intends to make a claim against the *Construction Manager* for a credit to the *Construction Manager's Fee* for the *Services*, the *Price of the Work* or the *Guaranteed Maximum Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party and, if the claim relates to the *Price of the Work* or the *Guaranteed Maximum Price*, with a copy to the *Consultant*.

- 6.6.2 Upon commencement of the event or series of events giving rise to a claim, the party intending to make the claim shall:
- 1 take all reasonable measures to mitigate any loss or expense which may be incurred as a result of such event or series of events, and
 - 2 keep such records as may be necessary to support the claim.
- 6.6.3 The party making the claim shall submit within a reasonable time to the other party a detailed account of the amount claimed and the grounds upon which the claim is based.
- 6.6.4 Where the event or series of events giving rise to the claim has a continuing effect, the detailed account submitted under paragraph 6.6.3 shall be considered to be an interim account and the party making the claim shall, at such intervals as the party receiving the claim may reasonably require, submit further interim accounts giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 6.6.5 If the claim is not acceptable to the other party, it shall be settled in accordance with Part 8 of the General Conditions—DISPUTE RESOLUTION.

PART 7 DEFAULT NOTICE

GC 7.1 OWNER'S RIGHT TO PERFORM THE WORK OR TERMINATE THE CONTRACT

- 7.1.1 If the *Construction Manager* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Construction Manager's* insolvency, or if a receiver is appointed because of the *Construction Manager's* insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Construction Manager's* right to continue with the *Work* by giving the *Construction Manager* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.1.2 If the *Construction Manager* neglects to prosecute the *Work* properly or otherwise fails to comply with the requirements of the *Contract Documents* to a substantial degree, and if the *Consultant* has given a written statement to the *Owner* and *Construction Manager* that sufficient cause exists to justify such action, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Construction Manager* *Notice in Writing* that the *Construction Manager* is in default of the *Construction Manager's* contractual obligations and instruct the *Construction Manager* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.
- 7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Construction Manager* shall be in compliance with the *Owner's* instructions if the *Construction Manager*:
- 1 commences the correction of the default within the specified time, and
 - 2 provides the *Owner* with an acceptable schedule for such correction, and
 - 3 corrects the default in accordance with the *Contract* terms and with such schedule.
- 7.1.4 If the *Construction Manager* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may:
- 1 correct such default and deduct the cost thereof from any payment then or hereafter due the *Construction Manager* provided the *Consultant* has certified such cost to the *Owner* and the *Construction Manager*, or
 - 2 terminate the *Construction Manager's* right to continue with the *Work* in whole or in part or terminate the *Contract*.
- 7.1.5 If the *Owner* terminates the *Construction Manager's* right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall
- 1 be entitled to take possession of the *Work* and *Products* at the *Place of the Work*; subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Work*; finish the *Work* by whatever method the *Owner* may consider expedient, but without undue delay or expense, and
 - 2 pay the *Construction Manager* upon the *Consultant's* certificate and in accordance with Part 5 of the General Conditions – PAYMENT for the costs properly incurred by the *Construction Manager* to that time plus the proportionate amount of the fee as provided in Article A-5 of the Agreement – CONSTRUCTION MANAGER'S FEE, and
 - 3 pay to the *Construction Manager* fair compensation, either by purchase or rental, at the option of the *Owner*, for any *Construction Equipment* retained for use in the *Work*; and
 - 4 assume and become liable for all obligations, commitments and unliquidated claims as certified by the *Consultant* that the *Construction Manager* may have heretofore, in good faith, undertaken or incurred in connection with the *Work*, other than such as are properly payable by the *Construction Manager* because of neglect or default.

- 7.1.6 If the *Owner* terminates the *Construction Manager's* right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Construction Manager* shall, as a condition of receiving the payments, execute and deliver such papers and take such action, including the legal assignment in the *Construction Manager's* contractual rights, as the *Owner* may require for the purpose of fully vesting in the *Construction Manager* the rights and benefits of the *Construction Manager* under the obligations or commitments to be assumed by the *Owner*.
- 7.1.7 The *Construction Manager's* obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Construction Manager* up to the time of termination shall continue in force after such termination of the *Contract*.

GC 7.2. CONSTRUCTION MANAGER'S RIGHT TO SUSPEND THE WORK OR TERMINATE THE CONTRACT

- 7.2.1 If the *Owner* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Owner's* insolvency, or if a receiver is appointed because of the *Owner's* insolvency, the *Construction Manager* may, without prejudice to any other right or remedy the *Construction Manager* may have, terminate the *Contract* by giving the *Owner* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.
- 7.2.2 If the *Work* is suspended or otherwise delayed for a period of 20 *Working Days* or more under an order of a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Construction Manager* or of anyone directly or indirectly employed or engaged by the *Construction Manager*, the *Construction Manager* may, without prejudice to any other right or remedy the *Construction Manager* may have, terminate the *Contract* by giving the *Owner* *Notice in Writing* to that effect.
- 7.2.3 The *Construction Manager* may give *Notice in Writing* to the *Owner*, with a copy to the *Consultant*, that the *Owner* is in default of the *Owner's* contractual obligations if:
1. the *Owner* fails to furnish, when so requested by the *Construction Manager*, reasonable evidence that financial arrangements have been made to fulfill the *Owner's* obligations under the *Contract*, or
 2. the *Consultant* fails to issue a certificate as provided in GC 5.4 – PROGRESS PAYMENT FOR THE WORK, or
 3. the *Owner* fails to pay the *Construction Manager*, or
 4. the *Owner* violates the requirements of the *Contract* to a substantial degree and the *Consultant*, except for GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, confirms by written statement to the *Construction Manager* that sufficient cause exists.
- 7.2.4 The *Construction Manager's* *Notice in Writing* to the *Owner* provided under paragraph 7.2.3 shall advise that if the default is not corrected within 5 *Working Days* following receipt of the *Notice in Writing*, the *Construction Manager* may, without prejudice to any other right or remedy the *Construction Manager* may have, suspend the *Work* or terminate the *Contract*.
- 7.2.5 If the *Construction Manager* terminates the *Contract* under the conditions set out above, the *Construction Manager* shall be entitled to be paid for all work performed including reasonable profit, for loss sustained upon *Products* and *Construction Equipment*, and such other damages as the *Construction Manager* may have sustained as a result of the termination of the *Contract*.

PART 8. DISPUTE RESOLUTION

GC 8.1. AUTHORITY OF THE CONSULTANT

- 8.1.1 Differences between the parties to the *Contract* as to the interpretation, application or administration of the *Contract* or any failure to agree where agreement between the parties is called for, herein collectively called disputes, which are not resolved in the first instance by findings of the *Consultant* as provided in GC 2.3 – CONSULTANT'S RESPONSIBILITIES, shall be settled in accordance with the requirements of Part 8 of the General Conditions – DISPUTE RESOLUTION.
- 8.1.2 If a dispute arises under the *Contract* in respect of a matter in which the *Consultant* has no authority under the *Contract* to make a finding, the procedures set out in paragraph 8.1.3 and paragraphs 8.2.3 to 8.2.8 of GC 8.2 – NEGOTIATION, MEDIATION AND ARBITRATION, and in GC 8.3 – RETENTION OF RIGHTS apply to that dispute with the necessary changes to detail as may be required.

- 8.1.3 If a dispute is not resolved promptly, the *Consultant* will give such instructions as in the *Consultant's* opinion are necessary for the proper performance of the *Work* and to prevent delays pending settlement of the dispute. The parties shall act immediately according to such instructions, it being understood that by so doing neither party will jeopardize any claim the party may have. If it is subsequently determined that such instructions were in error or at variance with the *Contract Documents*, the *Owner* shall pay the *Construction Manager* costs incurred by the *Construction Manager* in carrying out such instructions which the *Construction Manager* was required to do beyond what the *Contract Documents* correctly understood and interpreted would have required, including costs resulting from interruption of the *Work*.

GC 8.2 NEGOTIATION, MEDIATION AND ARBITRATION

- 8.2.1 In accordance with the Rules for Mediation of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing, the parties shall appoint a *Project Mediator*:
- 1 within 20 *Working Days* after the *Contract* was awarded, or
 - 2 if the parties neglected to make an appointment within the 20 *Working Days*, within 10 *Working Days* after either party by *Notice in Writing* requests that the *Project Mediator* be appointed.
- 8.2.2 A party shall be conclusively deemed to have accepted a finding of the *Consultant* under GC 2.3 – CONSULTANT'S RESPONSIBILITIES and to have expressly waived and released the other party from any claims in respect of the particular matter dealt with in that finding unless, within 15 *Working Days* after receipt of that finding, the party sends a *Notice in Writing* of dispute to the other party and to the *Consultant*, which contains the particulars of the matter in dispute and the relevant provisions of the *Contract Documents*. The responding party shall send a *Notice in Writing* of reply to the dispute within 10 *Working Days* after receipt of such *Notice in Writing* setting out particulars of this response and any relevant provisions of the *Contract Documents*.
- 8.2.3 The parties shall make all reasonable efforts to resolve their dispute by amicable negotiations and agree to provide, without prejudice, frank, candid, and timely disclosure of relevant facts, information and documents to facilitate these negotiations.
- 8.2.4 After a period of 10 *Working Days* following receipt of a responding party's *Notice in Writing* of reply under paragraph 8.2.2, the parties shall request the *Project Mediator* to assist the parties to reach agreement on any unresolved dispute. The mediated negotiations shall be conducted in accordance with the Rules for Mediation of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing.
- 8.2.5 If the dispute has not been resolved within 10 *Working Days* after the *Project Mediator* was requested under paragraph 8.2.4 or within such further period agreed by the parties, the *Project Mediator* shall terminate the mediated negotiations by giving *Notice in Writing* to the *Owner*, the *Construction Manager* and the *Consultant*.
- 8.2.6 By giving a *Notice in Writing* to the other party and the *Consultant*, not later than 10 *Working Days* after the date of termination of the mediated negotiations under paragraph 8.2.5, either party may refer the dispute to be finally resolved by arbitration under the Rules for Arbitration of Construction Disputes as provided in CCDC 40 in effect at the time of bid closing. The arbitration shall be conducted in the jurisdiction of the *Place of the Work*.
- 8.2.7 On expiration of the 10 *Working Days*, the arbitration agreement under paragraph 8.2.6 is not binding on the parties and, if a *Notice in Writing* is not given under paragraph 8.2.6 within the required time, the parties may refer the unresolved dispute to the courts or to any other form of dispute resolution, including arbitration, which they have agreed to use.
- 8.2.8 If neither party, by *Notice in Writing* given within 10 *Working Days* of the date of *Notice in Writing* requesting arbitration in paragraph 8.2.6, requires that a dispute be arbitrated immediately, all disputes referred to arbitration as provided in paragraph 8.2.6 shall be
- 1 held in abeyance until
 - (1) Substantial Performance of the *Work*,
 - (2) the *Contract* has been terminated, or
 - (3) the *Construction Manager* has abandoned the *Work*,
 whichever is earlier, and
 - 2 consolidated into a single arbitration under the rules governing the arbitration under paragraph 8.2.6.

GC 8.3 RETENTION OF RIGHTS

- 8.3.1 It is agreed that no act by either party shall be construed as a renunciation or waiver of any rights or recourses, provided the party has given the *Notice in Writing* required under Part 8 of the General Conditions – DISPUTE RESOLUTION and has carried out the instructions as provided in paragraph 8.1.3 of GC 8.1 – AUTHORITY OF THE CONSULTANT.
- 8.3.2 Nothing in Part 8 of the General Conditions – DISPUTE RESOLUTION shall be construed in any way to limit a party from asserting any statutory right to a lien under applicable lien legislation of the jurisdiction of the *Place of the Work* and the assertion of such right by initiating judicial proceedings is not to be construed as a waiver of any right that party may have under paragraph 8.2.6 of GC 8.2 – NEGOTIATION, MEDIATION AND ARBITRATION to proceed by way of arbitration to adjudicate the merits of the claim upon which such a lien is based.

PART 9 PROTECTION OF PERSONS AND PROPERTY

GC 9.1 PROTECTION OF WORK AND PROPERTY

- 9.1.1 The *Construction Manager* shall protect the *Work* and the *Owner's* property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Construction Manager's* operations under this *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
1. errors in the *Contract Documents*;
 2. acts or omissions by the *Owner*, the *Consultant*, other contractors, or their respective agents and employees.
- 9.1.2 Before commencing any work, the *Construction Manager* shall locate on site all underground utilities and structures that are indicated in the *Contract Documents* or information provided by the *Owner*, or that are reasonably apparent in an inspection of the *Place of the Work*.
- 9.1.3 Should the *Construction Manager* in the performance of the *Contract* damage the *Work*, the *Owner's* property or property adjacent to the *Place of the Work*, the *Construction Manager* shall be responsible for making good such damage at the *Construction Manager's* expense.
- 9.1.4 Should damage occur to the *Work* or *Owner's* property for which the *Construction Manager* is not responsible, as provided in paragraph 9.1.1, the *Construction Manager* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner's* property. The *Construction Manager's Fee*, the *Guaranteed Maximum Price* and the *Contract Time* shall be adjusted as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.5 – CHANGE DIRECTIVE.

GC 9.2 TOXIC AND HAZARDOUS SUBSTANCES

- 9.2.1 For the purposes of applicable legislation, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.
- 9.2.2 Prior to the *Construction Manager* commencing the *Work*, the *Owner* shall,
1. take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Work*, and
 2. provide the *Consultant* and the *Construction Manager* with a written list of any such substances that are known to exist and their locations.
- 9.2.3 The *Owner* shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substance exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Work* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Work* prior to the *Construction Manager* commencing the *Work*.
- 9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to dispose of, store or otherwise render harmless toxic or hazardous substances which were present at the *Place of the Work* prior to the *Construction Manager* commencing the *Work*.

- 9.2.5 If the *Construction Manager*
- 1 encounters toxic or hazardous substances at the *Place of the Work*, or
 - 2 has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Work*, which were not brought to the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Construction Manager* shall
 - 3 take all reasonable steps, including stopping the *Work*, to ensure that no person's exposure to any toxic or hazardous substances exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Work*, and
 - 4 immediately report the circumstances to the *Consultant* and the *Owner* in writing.
- 9.2.6 If the *Owner* and *Construction Manager* do not agree on the existence or significance of toxic or hazardous substances, or whether the toxic or hazardous substances were brought onto the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Construction Manager*.
- 9.2.7 If the *Owner* and *Construction Manager* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Owner* shall promptly at the *Owner's* own expense:
- 1 take all steps as required under paragraph 9.2.4;
 - 2 adjust the *Construction Manager's Fee* and the *Guaranteed Maximum Price* by a reasonable amount for overhead costs incurred by the *Construction Manager* in taking the steps pursuant to paragraph 9.2.5;
 - 3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager* and the expert referred to in paragraph 9.2.6 and adjust the *Construction Manager's Fee* and the *Guaranteed Maximum Price* by a reasonable amount for costs incurred by the *Construction Manager* as a result of the delay; and
 - 4 indemnify the *Construction Manager* as required by GC 12.1 – INDEMNIFICATION.
- 9.2.8 If the *Owner* and *Construction Manager* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Construction Manager* shall promptly at the *Construction Manager's* own expense:
- 1 take all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to safely remove and dispose the toxic or hazardous substance;
 - 2 make good any damage to the *Work*, the *Owner's* property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;
 - 3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and
 - 4 indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.
- 9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

GC 9.3 ARTIFACTS AND FOSSILS

- 9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place of the Work* shall, as between the *Owner* and the *Construction Manager*, be deemed to be the absolute property of the *Owner*.
- 9.3.2 The *Construction Manager* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Consultant* upon discovery of such items.
- 9.3.3 The *Consultant* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would change the *Construction Manager's Fee*, the *Guaranteed Maximum Price* or the *Construction Manager's* time to perform the *Work*, the *Consultant*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

GC 9.4 CONSTRUCTION SAFETY

- 9.4.1 Subject to paragraph 3.2.2.2 of GC 3.2 – CONSTRUCTION BY OWNER OR OTHER CONTRACTORS, the *Construction Manager* shall be responsible for
- 1 construction health and safety at the *Place of the Work* in compliance with the rules, regulations and practices required by the applicable construction health and safety legislation; and
 - 2 establishing, initiating, maintaining and supervising all health and safety precautions and programs in connection with the performance of the *Work*.

GC 9.5 MOULD

- 9.5.1 If the *Construction Manager* or *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,
- 1 the observing party shall promptly report the circumstances to the other party in writing;
 - 2 the *Construction Manager* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould; and
 - 3 if the *Owner* and *Construction Manager* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and *Construction Manager*.
- 9.5.2 If the *Owner* and *Construction Manager* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Construction Manager's* operations under the *Contract*, the *Construction Manager* shall promptly, at the *Construction Manager's* own expense:
- 1 take all reasonable and necessary steps to safely remediate or dispose of the mould; and
 - 2 make good any damage to the *Work*, the *Owner's* property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY; and
 - 3 reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3; and
 - 4 indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.
- 9.5.3 If the *Owner* and *Construction Manager* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Construction Manager's* operations under the *Contract*, the *Owner* shall promptly, at the *Owner's* own expense:
- 1 take all reasonable and necessary steps to safely remediate or dispose of the mould;
 - 2 adjust the *Construction Manager's Fee* and the *Guaranteed Maximum Price* by a reasonable amount for overhead costs incurred by the *Construction Manager* in taking the steps pursuant to paragraph 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.4 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;
 - 3 extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager* and the expert referred to in paragraph 9.5.1.3 and adjust the *Construction Manager's Fee* and the *Guaranteed Maximum Price* by a reasonable amount for costs incurred by the *Construction Manager* as a result of the delay; and
 - 4 indemnify the *Construction Manager* as required by GC 12.1 – INDEMNIFICATION.
- 9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part B of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 – MOULD.

PART 10. GOVERNING REGULATIONS

GC 10.1 TAXES AND DUTIES

- 10.1.1 The *Construction Manager* shall pay all customs, taxes and duties in effect during the performance of the *Work*. The amount incurred shall be included in the *Cost of the Work* as in accordance with paragraph 7.1.14 of the Agreement A-7 – COST OF THE WORK.

GC 10.2 LAWS, NOTICES, PERMITS, AND FEES

- 10.2.1 The laws of the *Place of the Work* shall govern the *Work*.
- 10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or for which the *Contract Documents* specify as the responsibility of the *Construction Manager*.
- 10.2.3 The *Construction Manager* shall be responsible for the procurement of permits, licences, inspections, and certificates, which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Work* after the issuance of the building permit. The *Cost of the Work* includes the cost of these permits, licences, inspections, and certificates, and their procurement.
- 10.2.4 The *Construction Manager* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.
- 10.2.5 The *Construction Manager* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations, or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations, or codes which require modification to the *Contract Documents*, the *Construction Manager* shall advise the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will make the changes required to the *Contract Documents* as provided in GC 6.1 – OWNER’S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 10.2.6 If the *Construction Manager* fails to advise the *Consultant* in writing, fails to obtain direction as required in paragraph 10.2.5, and performs work knowing it to be contrary to any laws, ordinances, rules, regulations or codes; the *Construction Manager* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations, or codes.

GC 10.3 PATENT FEES

- 10.3.1 The *Construction Manager* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The amount incurred shall be included in the *Cost of the Work* in accordance with paragraph 7.1.12 of the Agreement A-7 – COST OF THE WORK. The *Construction Manager* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits or proceedings arising out of the *Construction Manager*’s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Construction Manager* or anyone for whose acts the *Construction Manager* may be liable.
- 10.3.2 The *Owner* shall hold the *Construction Manager* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Construction Manager*’s performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, or any model, plan or design which was supplied to the *Construction Manager* as part of the *Contract*.

GC 10.4 WORKERS’ COMPENSATION

- 10.4.1 Prior to commencing the *Work*, again with the *Construction Manager*’s application for payment of the holdback amount following *Substantial Performance of the Work* and again with the *Construction Manager*’s application for final payment, the *Construction Manager* shall provide evidence of compliance with workers’ compensation legislation at the *Place of the Work*, including payments due thereunder.
- 10.4.2 At any time during the term of the *Contract*, when requested by the *Owner*, the *Construction Manager* shall provide such evidence of compliance by the *Construction Manager* and *Subcontractors*.

PART 11 INSURANCE — CONTRACT SECURITY

GC 11.1 INSURANCE

11.1.1 Without restricting the generality of GC 12.1 – INDEMNIFICATION, the *Construction Manager* shall provide, maintain and pay for the following insurance coverages, the minimum requirements of which are specified in CCDC 41 – INSURANCE REQUIREMENTS in effect at the time of bid closing except as hereinafter provided:

1. General liability insurance in the name of the *Construction Manager* and include, or in the case of a single, blanket policy, be endorsed to name, the *Owner* and the *Consultant* as insureds but only with respect to liability, other than legal liability arising out of their sole negligence, arising out of the operations of the *Construction Manager* with regard to the *Work*. General liability insurance shall be maintained from the date of commencement of the *Services* until one year from the date of *Substantial Performance of the Work*. Liability coverage shall be provided for completed operations hazards from the date of *Substantial Performance of the Work*, as set out in the certificate of *Substantial Performance of the Work*, on an ongoing basis for a period of 6 years following *Substantial Performance of the Work*.
2. Automobile Liability Insurance from the date of commencement of the *Services* until one year after the date of *Substantial Performance of the Work*.
3. Aircraft or Watercraft Liability Insurance when owned or non-owned aircraft or watercraft are used directly or indirectly in the performance of the *Work*.
4. "Broad form" property insurance in the joint names of the *Construction Manager*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The "broad form" property insurance shall be provided from the date of commencement of the *Work* until the earliest of:
 - (1) 10 calendar days after the date of *Substantial Performance of the Work*;
 - (2) on the commencement of use or occupancy of any part or section of the *Work* unless such use or occupancy is for construction purposes, habitational, office, banking, convenience store under 465 square metres in area, or parking purposes, or for the installation, testing and commissioning of equipment forming part of the *Work*;
 - (3) when left unattended for more than 30 consecutive calendar days or when construction activity has ceased for more than 30 consecutive calendar days.
5. Boiler and machinery insurance in the joint names of the *Construction Manager*, the *Owner* and the *Consultant*. The policy shall include as insureds all *Subcontractors*. The coverage shall be maintained continuously from commencement of use or operation of the boiler and machinery objects insured by the policy and until 10 calendar days after the date of *Substantial Performance of the Work*.
6. The "Broad form" property and boiler and machinery policies shall provide that, in the case of a loss or damage, payment shall be made to the *Owner* and the *Construction Manager* as their respective interests may appear. In the event of loss or damage:
 - (1) the *Construction Manager* shall act on behalf of the *Owner* for the purpose of adjusting the amount of such loss or damage payment with the insurers. When the extent of the loss or damage is determined, the *Construction Manager* shall proceed to restore the *Work*. Loss or damage shall not affect the rights and obligations of either party under the *Contract* except that the *Construction Manager* shall be entitled to such reasonable extension of *Contract Time* relative to the extent of the loss or damage as the *Consultant* may recommend in consultation with the *Construction Manager*;
 - (2) the *Construction Manager* shall be entitled to receive from the *Owner*, in addition to the amount due under the *Contract*, the amount which the *Owner's* interest in restoration of the *Work* has been appraised, such amount to be paid as the restoration of the *Work* proceeds in accordance with the progress payment provisions. In addition the *Construction Manager* shall be entitled to receive from the payments made by the insurer the amount of the *Construction Manager's* interest in the restoration of the *Work*; and
 - (3) to the *Work* arising from the work of the *Owner*, the *Owner's* own forces or another contractor, the *Owner* shall, in accordance with the *Owner's* obligations under the provisions relating to construction by *Owner* or other contractors, pay the *Construction Manager* the cost of restoring the *Work* as the restoration of the *Work* proceeds and as in accordance with the progress payment provisions.
7. Contractors' Equipment Insurance from the date of commencement of the *Work* until one year after the date of *Substantial Performance of the Work*.

11.1.2 Prior to commencement of the *Services* and upon the placement, renewal, amendment or extension of all or any part of the insurance, the *Construction Manager* shall promptly provide the *Owner* with confirmation of coverage and, if required, a certified true copy of the policies certified by an authorized representative of the insurer together with copies of any amending endorsements applicable to this *Contract*.

- 11.1.3 The parties shall pay their share of the deductible amounts in direct proportion to their responsibility in regards to any loss for which the above policies are required to pay, except where such amounts may be excluded by the terms of the *Contract*.
- 11.1.4 If the *Construction Manager* fails to provide or maintain insurance as required by the *Contract Documents*, then the *Owner* shall have the right to provide and maintain such insurance and give evidence to the *Construction Manager* and the *Consultant*. The *Construction Manager* shall pay the cost thereof to the *Owner* on demand or the *Owner* may deduct the cost from the amount which is due or may become due to the *Construction Manager*.
- 11.1.5 All required insurance policies shall be with insurers licensed to underwrite insurance in the jurisdiction of the *Place of the Work*.
- 11.1.6 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies reduced insurance requirements, the parties shall address such reduction, prior to the *Construction Manager's* insurance policy becoming due for renewal, and record any agreement in a *Change Order*.
- 11.1.7 If a revised version of CCDC 41 – INSURANCE REQUIREMENTS is published, which specifies increased insurance requirements, the *Owner* may request the increased coverage from the *Construction Manager* by way of a *Change Order*.
- 11.1.8 A *Change Directive* shall not be used to direct a change in the insurance requirements in response to the revision of CCDC 41 – INSURANCE REQUIREMENTS.

GC 11.2 CONTRACT SECURITY

- 11.2.1 The *Construction Manager* shall, prior to commencement of the *Work* or within the specified time, provide to the *Owner* any *Contract* security required by this *Contract* as in accordance with paragraph 7.1.13 of the Agreement A-7 – COST OF THE WORK.
- 11.2.2 If this *Contract* requires surety bonds to be provided, such bonds shall be issued by a duly licensed surety company authorized to transact a business of suretyship in the province or territory of the *Place of the Work* and shall be maintained in good standing until the fulfilment of this *Contract*. The form of such bonds shall be in accordance with the latest edition of the CCDC approved bond forms.

PART 12 INDEMNIFICATION, WAIVER OF CLAIMS AND WARRANTY

GC 12.1 INDEMNIFICATION

- 12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, the *Owner* and the *Construction Manager* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to, their involvement as parties to this *Contract*, provided such claims are:
- 1 caused by:
 - (1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
 - (2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and
 - 2 made by *Notice in Writing* within a period of 6 years from the date of *Substantial Performance of the Work* as set out in the certificate of *Substantial Performance of the Work* issued pursuant to paragraph 5.5.2.2 of GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK or within such shorter period as may be prescribed by any limitation statute of the province or territory of the *Place of the Work*.
- The parties expressly waive the right to indemnify for claims other than those provided for in this *Contract*.
- 12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall be limited as follows:
- 1 In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the insurance limit in effect at the time of bid closing.
 - 2 In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Price of the Work* or \$2,000,000, but in no event shall the sum be greater than \$20,000,000.

3. In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.
- 12.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 12.1.1 and 12.1.2 shall be inclusive of interest and all legal costs.
- 12.1.4 The *Owner* and the *Construction Manager* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.
- 12.1.5 The *Owner* shall indemnify and hold harmless the *Construction Manager* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:
1. as described in GC 10.3 – PATENT FEES, and
 2. arising out of the *Construction Manager's* performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Work*.
- 12.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Construction Manager*:
1. *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based became known;
 2. should either party be required as a result of its obligation to indemnify the other pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

GC 12.2 WAIVER OF CLAIMS

- 12.2.1 Subject to any lien legislation applicable to the *Place of the Work*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the *Construction Manager* waives and releases the *Owner* from all claims which the *Construction Manager* has or reasonably ought to have knowledge of that could be advanced by the *Construction Manager* against the *Owner* arising from the *Construction Manager's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
1. claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Owner* from the *Construction Manager* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*;
 2. indemnification for claims advanced against the *Construction Manager* by third parties for which a right of indemnification may be asserted by the *Construction Manager* against the *Owner* pursuant to the provisions of this *Contract*;
 3. claims for which a right of indemnity could be asserted by the *Construction Manager* pursuant to the provisions of paragraphs 12.1.4 or 12.1.5 of GC 12.1 – INDEMNIFICATION; and
 4. claims resulting from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.2 The *Construction Manager* waives and releases the *Owner* from all claims referenced in paragraph 12.2.1.4 except for those referred in paragraphs 12.2.1.2 and 12.2.1.3 and claims for which *Notice in Writing* of claim has been received by the *Owner* from the *Construction Manager* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.3 Subject to any lien legislation applicable to the *Place of the Work*, as of the fifth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the *Owner* waives and releases the *Construction Manager* from all claims which the *Owner* has or reasonably ought to have knowledge of that could be advanced by the *Owner* against the *Construction Manager* arising from the *Owner's* involvement in the *Work*, including, without limitation, those arising from negligence or breach of contract in respect to which the cause of action is based upon acts or omissions which occurred prior to or on the date of *Substantial Performance of the Work*, except as follows:
1. claims arising prior to or on the date of *Substantial Performance of the Work* for which *Notice in Writing* of claim has been received by the *Construction Manager* from the *Owner* no later than the sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*;

2. indemnification for claims advanced against the *Owner* by third parties for which a right of indemnification may be asserted by the *Owner* against the *Construction Manager* pursuant to the provisions of this *Contract*;
 3. claims for which a right of indemnity could be asserted by the *Owner* against the *Construction Manager* pursuant to the provisions of paragraph 12.1.4 of GC 12.1 – INDEMNIFICATION;
 4. damages arising from the *Construction Manager's* actions which result in substantial defects or deficiencies in the *Work*. "Substantial defects or deficiencies" mean those defects or deficiencies in the *Work* which affect the *Work* to such an extent or in such a manner that a significant part or the whole of the *Work* is unfit for the purpose intended by the *Contract Documents*;
 5. claims arising pursuant to GC 12.3 – WARRANTY; and
 6. claims arising from acts or omissions which occur after the date of *Substantial Performance of the Work*.
- 12.2.4 The *Owner* waives and releases the *Construction Manager* from all claims referred to in paragraph 12.2.3.4 except claims for which *Notice in Writing* of claim has been received by the *Construction Manager* from the *Owner* within a period of six years from the date of *Substantial Performance of the Work* should any limitation statute of the Province or Territory of the *Place of the Work* permit such agreement. If the applicable limitation statute does not permit such agreement, within such shorter period as may be prescribed by:
1. any limitation statute of the Province or Territory of the *Place of the Work*; or
 2. the Civil Code of Quebec, if the *Place of the Work* is the Province of Quebec.
- 12.2.5 The *Owner* waives and releases the *Construction Manager* from all claims referenced in paragraph 12.2.3.6 except for those referred in paragraph 12.2.3.2, 12.2.3.3 and those arising under GC 12.3 – WARRANTY and claims for which *Notice in Writing* has been received by the *Construction Manager* from the *Owner* within 395 calendar days following the date of *Substantial Performance of the Work*.
- 12.2.6 "Notice in Writing of claim" as provided for in GC 12.2 – WAIVER OF CLAIMS to preserve a claim or right of action which would otherwise, by the provisions of GC 12.2 – WAIVER OF CLAIMS, be deemed to be waived, must include the following:
1. a clear and unequivocal statement of the intention to claim;
 2. a statement as to the nature of the claim and the grounds upon which the claim is based; and
 3. a statement of the estimated quantum of the claim.
- 12.2.7 The party giving "Notice in Writing of claim" as provided for in GC 12.2 – WAIVER OF CLAIMS shall submit within a reasonable time a detailed account of the amount claimed.
- 12.2.8 Where the event or series of events giving rise to a claim made under paragraphs 12.2.1 or 12.2.3 has a continuing effect, the detailed account submitted under paragraph 12.2.7 shall be considered to be an interim account and the party making the claim shall submit further interim accounts, at reasonable intervals, giving the accumulated amount of the claim and any further grounds upon which it is based. The party making the claim shall submit a final account after the end of the effects resulting from the event or series of events.
- 12.2.9 If a *Notice in Writing of claim* pursuant to paragraph 12.2.1.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the period within which *Notice in Writing of claim* shall be received pursuant to paragraph 12.2.3.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*.
- 12.2.10 If a *Notice in Writing of claim* pursuant to paragraph 12.2.3.1 is received on the seventh or sixth calendar day before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*, the period within which *Notice in Writing of claim* shall be received pursuant to paragraph 12.2.1.1 shall be extended to two calendar days before the expiry of the lien period provided by the lien legislation applicable at the *Place of the Work*.

GC 12.3 WARRANTY

- 12.3.1 Except for extended warranties as described in paragraph 12.3.7, the warranty period under this *Contract* is one year from the date of *Substantial Performance of the Work*.
- 12.3.2 The *Construction Manager* shall be responsible for the proper performance of the *Work* to the extent that the design and *Contract Documents* permit such performance.
- 12.3.3 The *Owner*, through the *Consultant*, shall promptly give the *Construction Manager* *Notice in Writing* of observed defects and deficiencies which occur during the one year warranty period.
- 12.3.4 Subject to paragraph 12.3.2, the *Construction Manager* shall correct promptly, at the *Construction Manager's* expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.

- 12.3.5 The *Construction Manager* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.
- 12.3.6 The *Construction Manager* shall enforce the warranty obligations of the *Subcontractors* and *Suppliers* which shall include the following provisions:
- 1 the *Subcontractor* or the *Supplier* shall correct promptly at its expense defects or deficiencies in the work which appear prior to and during the warranty periods specified in the *Contract Documents*; and
 - 2 the *Subcontractor* or the *Supplier* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.
- 12.3.7 Any extended warranties required beyond the one year warranty period as described in paragraph 12.3.1 shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Construction Manager's* responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

APPENDIX – STIPULATED PRICE OPTION

The *Owner* and the *Construction Manager* may agree to exercise the stipulated price option at any time during the term of the *Contract* as in accordance with Article A-8 of the Agreement – OPTIONS. Upon the issuance of the *Change Order* exercising the stipulated price option, the following Articles of the Agreement, Definitions and General Conditions shall be deemed deleted, amended or added, as the case may be, and the *Contract* so revised shall be deemed to govern the rights and obligations of the parties with respect to the *Services* and *Work* to be provided from and after the date of the *Change Order*, unless stipulated otherwise in the *Change Order*.

ARTICLES OF THE AGREEMENT

1. **Article A-1**
New paragraph 1.4
 insert new paragraph as follows:
 1.4 subject to adjustment in *Contract Time* as provided for in the *Contract Documents*, attain *Substantial Performance of the Work*, by the _____ day of _____ in the year _____.
2. **Article A-5**
 Delete this Article in its entirety.
3. **Article A-6**
 Delete this Article in its entirety.
4. **Article A-7**
 Delete this Article and replace with the following:
ARTICLE A-7 COST OF WORK

7.1 The cost of performing the work attributable to any *Change Directive* shall include:

- 1 salaries, wages and benefits paid to personnel in the direct employ of the *Construction Manager* under a salary or wage schedule agreed upon by the *Owner* and the *Construction Manager*, or in the absence of such a schedule, actual salaries, wages and benefits paid under applicable bargaining agreement, and in the absence of a salary or wage schedule and bargaining agreement, actual salaries, wages and benefits paid by the *Construction Manager*, for personnel:
 - (1) stationed at the *Place of the Work*, in whatever capacity employed;
 - (2) engaged in expediting the production or transportation of material or equipment, at shops or on the road;
 - (3) engaged in the preparation or review of *Shop Drawings*, fabrication drawings and coordination drawings; or
 - (4) engaged in the processing of changes in the *Work*;
- 2 contributions, assessments or taxes incurred for such items as employment insurance, provincial or territorial health insurance, workers' compensation, and Canada or Quebec Pension Plan, insofar as such cost is based on wages, salaries or other remuneration paid to employees of the *Construction Manager* and included in the cost of the *Work* as provided in paragraph 7.1.1;
- 3 travel and subsistence expenses of the *Construction Manager's* personnel described in paragraph 7.1.1;
- 4 all *Products* including cost of transportation thereof;
- 5 materials, supplies, *Construction Equipment*, *Temporary Work*, and hand tools not owned by the workers, including transportation and maintenance thereof, which are consumed in the performance of the *Work*; and cost less salvage value on such items used but not consumed, which remain the property of the *Construction Manager*;
- 6 all tools and *Construction Equipment*, exclusive of hand tools used in the performance of the *Work*, whether rented from or provided by the *Construction Manager* or others, including installation, minor repairs and replacements, dismantling, removal, transportation, and delivery cost thereof;
- 7 the *Construction Manager's* field office;

- .8 deposits lost provided that they are not caused by negligent acts or omissions of the *Construction Manager* and the *Services* are performed in accordance with this *Contract*;
- .9 the amount of all subcontracts;
- .10 quality assurance such as independent inspection and testing services;
- .11 charges levied by authorities having jurisdiction at the *Place of the Work*;
- .12 royalties, patent license fees and damages for infringement of patents and cost of defending suits therefor subject always to the *Construction Manager's* obligations to indemnify the *Owner* as provided in paragraph 10.3.1 of GC 10.3 – PATENT FEES;
- .13 any adjustment in premiums for all contract securities and insurance that the *Construction Manager* is required, by the *Contract Documents*, to purchase and maintain;
- .14 any adjustment in taxes, other than *Value Added Taxes*, and duties relating to the *Work* for which the *Construction Manager* is liable;
- .15 charges for long distance communications, courier services, expressage, printing, and reproduction incurred in relation to the performance of the *Work*;
- .16 removal and disposal of waste products and debris;
- .17 the cost of safety measures and requirements;
- .18 other costs incurred in the performance of the *Work* as listed below;

6. **Article A-8**

Delete this Article and replace with the following:

ARTICLE A-8 CONTRACT PRICE

- 8.1 The *Contract Price*, which excludes *Value Added Taxes*, is:
 _____ /100 dollars \$ _____
- 8.2 *Value Added Taxes* (at _____ %) payable by the *Owner* to the *Construction Manager* are:
 _____ /100 dollars \$ _____
- 8.3 Total amount payable by the *Owner* to the *Construction Manager* for the construction of the *Work* is:
 _____ /100 dollars \$ _____
- 8.4 These amounts shall be subject to adjustments as provided in the *Contract Documents*.
- 8.5 All amounts are in Canadian funds.

7. **Article A-9**

paragraph 9.1

Delete and replace with the following:

- 9.1 Where required by provincial or territorial legislation, payments shall be subject to the lien legislation applicable to the *Place of the Work*. The *Owner* shall pay the *Construction Manager*:
- .1 payments on account of the *Contract Price* when due in the amount certified by the *Consultant* together with such *Value Added Taxes* as may be applicable to such payments,
 - .2 upon *Substantial Performance of the Work*, the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and
 - .3 upon the issuance of the final certificate for payment, the unpaid balance of the *Construction Manager's Fee* for the *Services* and the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.

8. **Schedule A1**

Delete this Schedule in its entirety.

9. **Schedule A2**
Delete this Schedule in its entirety.

10. **Schedule B**
Delete this Schedule in its entirety.

DEFINITIONS

11. **Definition 5 – CHANGE DIRECTIVE**
Delete and replace with the following:

5. **Change Directive**

A *Change Directive* is a written instruction prepared by the *Consultant* and signed by the *Owner* directing the *Construction Manager* to proceed with a change in the *Work* within the general scope of this *Contract* prior to the *Owner* and the *Construction Manager* agreeing upon adjustments in the *Contract Price* and the *Contract Time*.

12. **Definition 6 – CHANGE ORDER**
Delete and replace with the following:

6. **Change Order**

A *Change Order* is a written amendment to this *Contract* prepared by the *Consultant* and signed by the *Owner* and the *Construction Manager* stating their agreement upon:

- a change in the *Services*;
- a change in the *Work*;
- the method of adjustment or the amount of the adjustment in the *Contract Price*, if any; and
- the extent of the adjustment in the *Contract Time*, if any.

13. **Definition 32 – SUPPLEMENTAL INSTRUCTION**
Delete and replace with the following:

Supplemental Instruction

A *Supplemental Instruction* is an instruction, not involving adjustment in the *Contract Price* or *Contract Time*, in the form of *Specifications*, *Drawings*, schedules, samples, models or written instructions, consistent with the intent of the *Contract Documents*. It is to be issued by the *Consultant* to supplement the *Contract Documents*, as required for the performance of the *Work*.

14. **New Definition 38 – CONTRACT PRICE**
Insert new Definition as follows:

Contract Price

The *Contract Price*, which excludes *Value Added Taxes*, is the amount specified in Article A-8 – **CONTRACT PRICE** to complete the *Services* and the *Work*.

GENERAL CONDITIONS

15. GC 2.3

Delete and replace with the following:

- 2.3.1 The *Consultant* will provide administration of the *Work* as described in the *Contract Documents*.
- 2.3.2 The *Consultant* will visit the *Place of the Work* at intervals appropriate to the progress of construction to become familiar with the progress and quality of the work and to determine if the *Work* is proceeding in general conformity with the *Contract Documents*.
- 2.3.3 If the *Owner* and the *Consultant* agree, the *Consultant* will provide at the *Place of the Work*, one or more project representatives to assist in carrying out the *Consultant's* responsibilities. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in writing to the *Construction Manager*.
- 2.3.4 The *Consultant* will promptly inform the *Owner* of the date of receipt of the *Construction Manager's* applications for payment for the *Work* performed as provided in paragraph 5.4.7.1 of GC 5.4 – **PROGRESS PAYMENT FOR THE WORK**.

- 2.3.5 Based on the *Consultant's* observations and evaluation of the *Construction Manager's* applications for payment for the *Work* performed, the *Consultant* will determine the amounts owing to the *Construction Manager* for the *Contract Price* and will issue certificates for payment as provided in Article A-9 of the Agreement – PAYMENT, GC 5.4 – PROGRESS PAYMENT FOR THE WORK and GC 5.8 – FINAL PAYMENT FOR THE WORK.
- 2.3.6 The *Consultant* will not be responsible for and will not have control, charge or supervision of construction means, methods, techniques, sequences, or procedures, or for safety precautions and programs required in connection with the *Work* in accordance with the applicable construction safety legislation, other regulations or general construction practice. The *Consultant* will not be responsible for the *Construction Manager's* failure to carry out the *Work* in accordance with the *Contract Documents*. The *Consultant* will not have control over, charge of or be responsible for the acts or omissions of the *Construction Manager, Subcontractors, Suppliers*, or their agents, employees, or any other persons performing portions of the *Work*.
- 2.3.7 Except with respect to GC 5.1 – FINANCING INFORMATION REQUIRED OF THE OWNER, the *Consultant* will be, in the first instance, the interpreter of the requirements of the *Work*.
- 2.3.8 Matters in question relating to the performance of the *Work* or the interpretation of the *Contract Documents*, except with respect to the scope, fee and reimbursable expenses of the *Services*, shall be initially referred in writing to the *Consultant* by the party raising the question for interpretations and findings and copied to the other party.
- 2.3.9 Interpretations and findings of the *Consultant* shall be consistent with the intent of the *Contract Documents* as they relate to the *Work*. In making such interpretations and findings the *Consultant* will not show partiality to either the *Owner* or the *Construction Manager*.
- 2.3.10 The *Consultant's* interpretations and findings will be given in writing to the parties within a reasonable time.
- 2.3.11 With respect to claims for a change in the *Contract Price*, the *Consultant* will make findings as set out in GC 6.6 – CLAIMS FOR A CHANGE IN CONTRACT PRICE.
- 2.3.12 The *Consultant* will have authority to reject work which in the *Consultant's* opinion does not conform to the requirements of the *Contract Documents*. Whenever the *Consultant* considers it necessary or advisable, the *Consultant* will have authority to require inspection or testing of work, whether or not such work is fabricated, installed or completed. However, neither the authority of the *Consultant* to act nor any decision either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the *Consultant* to the *Construction Manager, Subcontractor, Suppliers*, or their agents, employees, or other persons performing any of the *Work*.
- 2.3.13 During the progress of the *Work* the *Consultant* will furnish *Supplemental Instructions* to the *Construction Manager* with reasonable promptness or in accordance with a schedule for such instructions agreed to by the *Consultant* and the *Construction Manager*.
- 2.3.14 The *Consultant* will review and take appropriate action upon *Shop Drawings*, samples and other *Construction Manager's* submittals which are provided in accordance with the *Construction Documents*.
- 2.3.15 The *Consultant* will prepare *Change Orders* and *Change Directives* as provided in GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.
- 2.3.16 The *Consultant* will conduct reviews of the *Work* to determine the date of *Substantial Performance of the Work* as provided in GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK.
- 2.3.17 All certificates issued by the *Consultant* will be to the best of the *Consultant's* knowledge, information and belief. By issuing any certificate, the *Consultant* does not guarantee the *Work* is correct or complete.
- 2.3.18 The *Consultant* will receive and review written warranties and related documents required by the *Contract* and provided by the *Construction Manager* and will forward such warranties and documents in the *Owner's* presence for the *Owner's* acceptance.

16. GC 2.4

Delete and replace with the following:

- 2.4.1 The *Construction Manager* shall provide the *Owner* and the *Consultant* access to the *Work* at all times. The *Construction Manager* shall provide sufficient, safe and proper facilities at all times for the review of the *Work* by the *Consultant* and the inspection of the *Work* by authorized agencies. If parts of the *Work* are in preparation at locations other than the *Place of the Work*, the *Owner* and the *Consultant* shall be given access to such work whenever it is in progress.

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- 2.4.2 If work is designated for tests, inspections or approvals in the *Contract Documents*, or by the *Consultant's* instructions, or by the laws or ordinances of the *Place of the Work*, the *Construction Manager* shall give the *Consultant* reasonable notification of when the work will be ready for review and inspection. The *Construction Manager* shall arrange for and shall give the *Consultant* reasonable notification of the date and time of inspections by other authorities.
- 2.4.3 The *Construction Manager* shall furnish promptly to the *Consultant* two copies of certificates and inspection reports relating to the *Work*.
- 2.4.4 If the *Construction Manager* covers, or permits to be covered, work that has been designated for special tests, inspections or approvals before such special tests, inspections or approvals are made, given or completed, the *Construction Manager* shall, if so directed, uncover such work, have the inspections or tests satisfactorily completed, and make good covering work at the *Construction Manager's* expense.
- 2.4.5 The *Consultant* may order any portion or portions of the *Work* to be examined to confirm that such work is in accordance with the requirements of the *Contract Documents*. If the work is not in accordance with the requirements of the *Contract Documents*, the *Construction Manager* shall correct the work and pay the cost of examination and correction at the *Construction Manager's* expense. If the work is in accordance with the requirements of the *Contract Documents*, the *Owner* shall pay the cost of examination and restoration.
- 2.4.6 The *Construction Manager* shall pay the cost of making any test or inspection, including the cost of samples required for such test or inspection, if such test or inspection is designated in the *Contract Documents* to be performed by the *Construction Manager* or is designated by the laws or ordinances applicable to the *Place of the Work*.
- 2.4.7 The *Construction Manager* shall pay the cost of samples required for any test or inspection to be performed by the *Consultant* or the *Owner* if such test or inspection is designated in the *Contract Documents*.

17. **GC 2.5**

Delete and replace with the following:

- 2.5.1 The *Construction Manager* shall promptly correct defective work that has been rejected by the *Consultant* as failing to conform to the *Contract Documents* whether or not the defective work has been incorporated in the *Work* and whether or not the defect is the result of poor workmanship, use of defective products or damage through carelessness or other act or omission of the *Construction Manager*. The correction of defective work shall be at the *Construction Manager's* expense.
- 2.5.2 The *Construction Manager* shall make good promptly other contractors' work destroyed or damaged by such removals or replacements. The correction of destroyed or damaged work shall be at the *Construction Manager's* expense.
- 2.5.3 If in the opinion of the *Consultant* it is not expedient to correct defective work or work not performed as provided in the *Contract Documents*, the *Owner* may deduct from the amount otherwise due to the *Construction Manager* the difference in value between the work as performed and that called for by the *Contract Documents*. If the *Owner* and the *Construction Manager* do not agree on the difference in value, they shall refer the matter to the *Consultant* for a finding.

18. **GC 3.7**

Delete and replace with the following:

- 3.7.1 The *Construction Manager* shall preserve and protect the rights of the parties under the *Contract* with respect to work to be performed under subcontract, and shall:
- 1 enter into contracts or written agreements with *Subcontractors* and *Suppliers* to require them to perform their work as provided in the *Contract Documents*;
 - 2 incorporate the terms and conditions of the *Contract Documents* into all contracts or written agreements with *Subcontractors* and *Suppliers*; and
 - 3 be as fully responsible to the *Owner* for acts and omissions of *Subcontractors*, *Suppliers* and of persons directly or indirectly employed by them as for acts and omissions of persons directly employed by the *Construction Manager*.
- 3.7.2 The *Construction Manager* shall, before entering into contracts or written agreements with *Subcontractors* and *Suppliers*, submit to the *Owner* all bids received for the various parts of the *Work* to be subcontracted and obtain the *Owner's* acceptance of the *Subcontractors* and *Suppliers* selected.

- 3.7.3 The *Construction Manager* shall cause to be obtained contract security from *Subcontractors* to the extent and for the amounts approved by the *Owner*.
- 3.7.4 The *Construction Manager* shall not be required to employ as a *Subcontractor* or *Supplier*, a person or firm to which the *Construction Manager* may reasonably object.
- 3.7.5 The *Owner*, through the *Consultant*, may provide to a *Subcontractor* or *Supplier* information as to the percentage of the *Subcontractor's* or *Supplier's* work which has been certified for payment.

19. **GC 3.8**

Delete and replace with the following:

- 3.8.1 The *Construction Manager* shall maintain good order and discipline among the *Construction Manager's* employees engaged on the *Work* and shall not employ on the *Work* anyone not skilled in the tasks assigned.
- 3.8.2 Unless otherwise specified in the *Contract Documents*, *Products* provided shall be new. *Products* which are not specified shall be of a quality consistent with those specified and their use acceptable to the *Consultant*.
- 3.8.3 The *Construction Manager* shall provide and pay for labour, *Products*, tools, *Construction Equipment*, water, heat, light, power, transportation, and other facilities and services necessary for the performance of the *Work* in accordance with the *Contract*.

20. **New GC 3.14 – SERVICES**

Insert new General Condition as follows:

GC 3.14 SERVICES

- 3.14.1 The *Construction Manager* shall:
1. chair and initiate regular *Project* meetings with the *Owner* and the *Consultant*,
 2. prepare and update the cash flow forecasts in accordance with the *Project* budget first are specified in the *Contract* or otherwise agreed with the *Owner*;
 3. provide reasonable assistance and information to permit recovery of all tax rebates where applicable, and
 4. assist the *Owner* in conducting post-construction occupancy review.

21. **GC 4.1**

Delete and replace with the following:

- 4.1.1 The *Contract Price*, and not the cash allowances, includes the *Construction Manager's* overhead and profit in connection with such cash allowances.
- 4.1.2 The *Contract Price* includes the cash allowances, if any, stated in this *Contract*. The scope of work or costs included in such cash allowances shall be as described in this *Contract*.
- 4.1.3 Expenditures under cash allowances shall be authorized by the *Owner* through the *Consultant*.
- 4.1.4 Where costs under any cash allowance exceed the amount of the allowance, the *Construction Manager* shall be compensated for the excess incurred and substantiated plus an amount for overhead and profit on the excess as set out in the *Contract Documents*. Where costs under any cash allowance are less than the amount of the allowance, the *Owner* shall be credited for the unexpended portion of the cash allowance, but not for the *Construction Manager's* overhead and profit on such amount. Multiple cash allowances shall not be combined for the purpose of calculating the foregoing.
- 4.1.5 The *Contract Price* shall be adjusted by *Change Order* to provide for any difference between each cash allowance and its actual cost.
- 4.1.6 The value of the *Work* performed under a cash allowance is eligible to be included in progress payments.
- 4.1.7 The *Construction Manager* and the *Consultant* shall jointly prepare a schedule that shows when the *Consultant* and the *Owner* must authorize ordering of items called for under cash allowances to avoid delaying the progress of the *Work*.

22. **GC 5.2**

Delete and replace with the following:

- 5.2.1 The *Construction Manager* shall keep full and detailed accounts and records necessary for the documentation of and the cost of performing the work attributable to the *Change Directive*.

5.2.2 For 60 calendar days after the application for final payment or for such other period specified in the *Contract*, the *Owner* shall be afforded reasonable access to all of the *Construction Manager's* books, records, correspondence, instructions, drawings, receipt vouchers, *Subcontractor* and *Supplier* invoices, and memoranda relating to the cost of performing the work attributable to the *Change Directive*, and for this purpose the *Construction Manager* shall preserve all such records.

23. **GC 5.3**
Delete this General Condition in its entirety.

24. **GC 5.4**

Delete and replace with the following:

5.4.1 Applications for payment on account as provided in Article A-9 of the Agreement – PAYMENT may be made monthly as the *Work* progresses.

5.4.2 Applications for payment shall be dated the last day of each payment period, which is the last day of the month or an alternative day of the month agreed in writing by the parties.

5.4.3 The amount claimed shall be for the value, proportionate to the *Contract Price*, of *Work* performed and *Products* delivered to the *Place of the Work* as of the last day of the payment period.

5.4.4 The *Construction Manager* shall submit to the *Consultant*, at least 15 calendar days before the first application for payment after exercising the stipulated price option, a schedule of values for the parts of the *Work*, aggregating the total amount of the *Contract Price*, so as to facilitate evaluation of applications for payment.

5.4.5 The schedule of values shall be made out in such form and supported by such evidence as the *Consultant* may reasonably direct and when accepted by the *Consultant*, shall be used as the basis for applications for payment, unless it is found to be in error.

5.4.6 Applications for payment for *Products* delivered to the *Place of the Work* but not yet incorporated into the *Work* shall be supported by such evidence as the *Consultant* may reasonably require to establish the value and delivery of the *Products*.

5.4.7 After receipt by the *Consultant* of an application for payment for the *Work* submitted by the *Construction Manager* in accordance with paragraphs 5.4.1 to 5.4.6:

- 1 the *Consultant* will promptly inform the *Owner* of the date of receipt of the *Construction Manager's* application for payment;
- 2 the *Consultant* will issue to the *Owner* and copy to the *Construction Manager*, no later than 10 calendar days after the receipt of the application for payment, a certificate for payment in the amount applied for, or in such other amount as the *Consultant* determines to be properly due. If the *Consultant* amends the application, the *Consultant* will promptly advise the *Construction Manager* in writing giving reasons for the amendment; and
- 3 the *Owner* shall make payment to the *Construction Manager* on account as provided in Article A-9 of the Agreement – PAYMENT on or before 20 calendar days after the later of:
 - receipt by the *Consultant* of the application for payment, or
 - the last day of the monthly payment period for which the application for payment is made.

5.4.8 The *Construction Manager* shall include a statement based on the schedule of values with each application for payment.

25. **GC 6.2**

Delete and replace with the following:

6.2.1 When a change in the *Work* is proposed or required, the *Consultant* shall provide the *Construction Manager* with a written description of the proposed change in the *Work*. The *Construction Manager* shall promptly present, in a form acceptable to the *Consultant*, a method of adjustment or an amount of adjustment for the *Contract Price* and the adjustment in the *Contract Time*, as applicable, for the proposed change in the *Work*.

6.2.2 When the *Owner* and *Construction Manager* agree to the adjustments in the *Contract Price* and the *Contract Time*, or to the method to be used to determine the adjustments, such agreement shall be effective immediately and shall be recorded in a *Change Order*. The value of the work performed as the result of a *Change Order* shall be included in applications for progress payment.

26. **GC 6.3**

Delete and replace with the following:

- 6.3.1 If the *Owner* requires the *Construction Manager* to proceed with a change in the *Work* prior to the *Owner* and the *Construction Manager* agreeing upon any corresponding adjustment in the *Contract Price* and the *Contract Time*, the *Owner*, through the *Consultant*, shall issue a *Change Directive*.
- 6.3.2 A *Change Directive* shall only be used to direct a change in the *Work* which is within the general scope of the *Contract Documents*.
- 6.3.3 A *Change Directive* shall not be used to direct a change in the *Contract Time* only.
- 6.3.4 Upon receipt of a *Change Directive*, the *Construction Manager* shall proceed promptly with the change in the *Work*.
- 6.3.5 For the purpose of valuing *Change Directives*, changes in the *Work* that are not substitutions or otherwise-related to each other shall not be grouped together in the same *Change Directive*.
- 6.3.6 The adjustment in the *Contract Price* for a change carried out by way of a *Change Directive* shall be determined on the basis of the cost of the *Construction Manager's* actual expenditures and savings attributable to the *Change Directive*, valued in accordance with Article A-7 of the Agreement – COST OF WORK and as follows:
1. If the change results in a net increase in the *Construction Manager's* cost, the *Contract Price* shall be increased by the amount of the net increase in the *Construction Manager's* cost, plus the *Construction Manager's* percentage fee on such net increase.
 2. If the change results in a net decrease in the *Construction Manager's* cost, the *Contract Price* shall be decreased by the amount of the net decrease in the *Construction Manager's* cost, without adjustment for the *Construction Manager's* percentage fee.
 3. The *Construction Manager's* fee shall be as specified in the *Contract Documents* or as otherwise agreed by the parties.
- 6.3.7 If the *Owner* and the *Construction Manager* do not agree on the proposed adjustment in the *Contract Price*, the *Contract Time*, or in the method of determining them, the adjustment shall be referred to the *Consultant* for a finding.
- 6.3.8 When the *Owner* and the *Construction Manager* reach agreement on the adjustment to the *Contract Price* and the *Contract Time*, this agreement shall be recorded in a *Change Order*.
- 6.3.9 Pending determination of the final amount of a *Change Directive*, the undisputed value of the work performed as the result of a *Change Directive* is eligible to be included in progress payments.

27. **GC 6.4**

Delete and replace with the following:

- 6.4.1 If the *Owner* or the *Construction Manager* discover conditions at the *Place of the Work* which are:
1. subsurface or otherwise concealed physical conditions which existed before the commencement of the *Work* which differ materially from those indicated in the *Contract Documents*; or
 2. physical conditions, other than conditions due to weather, that are of a nature which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the *Contract Documents*,
- then the observing party shall give *Notice in Writing* to the other party of such conditions before they are disturbed and in no event later than 5 *Working Days* after first observance of the conditions.
- 6.4.2 The *Consultant* will promptly investigate such conditions and make a finding. If the finding is that the conditions differ materially and this would justify an increase or decrease in the *Contract Price* or the *Contract Time*, the *Consultant*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 6.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.
- 6.4.3 If the *Consultant* finds that the conditions at the *Place of the Work* are not materially different or that no change in the *Contract Price* or the *Contract Time* is justified, the *Consultant* will report the reasons for this finding to the *Owner* and the *Construction Manager* in writing.
- 6.4.4 If such concealed or unknown conditions relate to toxic and hazardous substances and materials, artifacts and fossils, or mould, the parties will be governed by the provisions of GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES, GC 9.3 – ARTIFACTS AND FOSSILS and GC 9.5 – MOULD.

28. GC 6.5

Delete and replace with the following:

- 6.5.1 If the *Construction Manager* is delayed in the performance of the *Work* by an action or omission of the *Owner*, *Consultant* or anyone employed or engaged by them directly or indirectly, contrary to the provisions of the *Contract Documents*, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The *Contract Price* shall be adjusted by a reasonable amount for costs incurred by the *Construction Manager* as the result of such delay.
- 6.5.2 If the *Construction Manager* is delayed in the performance of the *Work* by a stop work order issued by a court or other public authority and providing that such order was not issued as the result of an act or fault of the *Construction Manager* or any person employed or engaged by the *Construction Manager* directly or indirectly, then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The *Contract Price* shall be adjusted by a reasonable amount for costs incurred by the *Construction Manager* as the result of such delay.
- 6.5.3 If the *Construction Manager* is delayed in the performance of the *Work* by:
1. labour disputes, strikes, lock-outs (including lock-outs decreed or recommended for its members by a recognized contractors' association, of which the *Construction Manager* is a member or to which the *Construction Manager* is otherwise bound),
 2. fire, unusual delay by common causes or unavoidable casualties,
 3. abnormally adverse weather conditions, or
 4. any cause beyond the *Construction Manager's* control other than one resulting from a default or breach of *Contract* by the *Construction Manager*;
- then the *Contract Time* shall be extended for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager*. The extension of time shall not be less than the time lost as the result of the event causing the delay, unless the *Construction Manager* agrees to a shorter extension. The *Construction Manager* shall not be entitled to payment for costs incurred by such delays unless such delays result from actions by the *Owner*, *Consultant* or anyone employed or engaged by them directly or indirectly.
- 6.5.4 No extension shall be made for delay unless *Notice in Writing* of the cause of the delay is given to the *Consultant* not later than 10 *Working Days* after the commencement of the delay. In the case of a continuing cause of delay only one *Notice in Writing* shall be necessary.
- 6.5.5 If no schedule is made under paragraph 2.3.13 of GC 2.3 – CONSULTANT'S RESPONSIBILITIES or paragraph 3.5.1 of GC 3.5 – CONSTRUCTION SCHEDULE, then no request for extension shall be made because of failure of the *Consultant* to furnish instructions until 10 *Working Days* after demand for such instructions has been made.

29. GC 6.6

Delete and replace with the following:

GC 6.6. CLAIMS FOR A CHANGE IN CONTRACT PRICE

- 6.6.1 If the *Construction Manager* intends to make a claim for an increase to the *Contract Price*, or if the *Owner* intends to make a claim against the *Construction Manager* for a credit to the *Contract Price*, the party that intends to make the claim shall give timely *Notice in Writing* of intent to claim to the other party with a copy to the *Consultant*.

30. GC 7.1

Delete and replace with the following:

- 7.1.1 If the *Construction Manager* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Construction Manager's* insolvency, or if a receiver is appointed because of the *Construction Manager's* insolvency, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, terminate the *Construction Manager's* right to continue with the *Work*, by giving the *Construction Manager* or receiver or trustee in bankruptcy *Notice in Writing* to that effect.

- 7.1.2 If the *Construction Manager* neglects to prosecute the *Work* properly or otherwise fails to comply with the requirements of the *Contract Documents* to a substantial degree, and if the *Consultant* has given a written statement to the *Owner* and *Construction Manager* that sufficient cause exists to justify such action, the *Owner* may, without prejudice to any other right or remedy the *Owner* may have, give the *Construction Manager* *Notice in Writing* that the *Construction Manager* is in default of the *Construction Manager's* contractual obligations and instruct the *Construction Manager* to correct the default in the 5 *Working Days* immediately following the receipt of such *Notice in Writing*.
- 7.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other time period as may be subsequently agreed in writing by the parties, the *Construction Manager* shall be in compliance with the *Owner's* instructions if the *Construction Manager*:
- 1 commences the correction of the default within the specified time, and
 - 2 provides the *Owner* with an acceptable schedule for such correction, and
 - 3 corrects the default in accordance with the *Contract* terms and with such schedule.
- 7.1.4 If the *Construction Manager* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy the *Owner* may have, the *Owner* may:
- 1 correct such default and deduct the cost thereof from any payment then or thereafter due the *Construction Manager* provided the *Consultant* has certified such cost to the *Owner* and the *Construction Manager*, or
 - 2 terminate the *Construction Manager's* right to continue with the *Work* in whole or in part or terminate the *Contract*.
- 7.1.5 If the *Owner* terminates the *Construction Manager's* right to continue with the *Work* as provided in paragraphs 7.1.1 and 7.1.4, the *Owner* shall be entitled to:
- 1 take possession of the *Work* and *Products* at the *Place of the Work*; subject to the rights of third parties, utilize the *Construction Equipment* at the *Place of the Work*; finish the *Work* by whatever method the *Owner* may consider expedient, but without undue delay or expense, and
 - 2 withhold further payment to the *Construction Manager* until a final certificate for payment is issued, and
 - 3 charge the *Construction Manager* the amount by which the full cost of finishing the *Work* as certified by the *Consultant*, including compensation to the *Consultant* for the *Consultant's* additional services and a reasonable allowance as determined by the *Consultant* to cover the cost of corrections to work performed by the *Construction Manager* that may be required under GC 12.3 – WARRANTY, exceeds the unpaid balance of the *Price of the Work*; however, if such cost of finishing the *Work* is less than the unpaid balance of the *Price of the Work*, the *Owner* shall pay the *Construction Manager* the difference, and
 - 4 on expiry of the warranty period, charge the *Construction Manager* the amount by which the cost of corrections to the *Construction Manager's* work under GC 12.3 – WARRANTY exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Construction Manager* the difference.
- 7.1.6 The *Construction Manager's* obligation under the *Contract* as to quality, correction and warranty of the work performed by the *Construction Manager* up to the time of termination shall continue in force after such termination of the *Contract*.

31. GC 9.1

Delete and replace with the following:

- 9.1.1 The *Construction Manager* shall protect the *Work* and the *Owner's* property and property adjacent to the *Place of the Work* from damage which may arise as the result of the *Construction Manager's* operations under this *Contract*, and shall be responsible for such damage, except damage which occurs as the result of:
- 1 errors in the *Contract Documents*;
 - 2 acts or omissions by the *Owner*, the *Consultant*, other contractors, or their respective agents and employees.
- 9.1.2 Before commencing any work, the *Construction Manager* shall locate on site all underground utilities and structures that are indicated in the *Contract Documents* or information provided by the *Owner*, or that are reasonably apparent in an inspection of the *Place of the Work*.
- 9.1.3 Should the *Construction Manager* in the performance of the *Contract* damage the *Work*, the *Owner's* property or property adjacent to the *Place of the Work*, the *Construction Manager* shall be responsible for making good such damage at the *Construction Manager's* expense.

- 9.1.4 Should damage occur to the *Work* or *Owner's* property for which the *Construction Manager* is not responsible, as provided in paragraph 9.1.1, the *Construction Manager* shall make good such damage to the *Work* and, if the *Owner* so directs, to the *Owner's* property. The *Contract Price* and the *Contract Time* shall be adjusted as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

32. GC 9.2

Delete and replace with the following:

- 9.2.1 For the purposes of applicable legislation, the *Owner* shall be deemed to have control and management of the *Place of the Work* with respect to existing conditions.
- 9.2.2 Prior to the *Construction Manager* commencing the *Work*, the *Owner* shall,
1. take all reasonable steps to determine whether any toxic or hazardous substances are present at the *Place of the Work*, and
 2. provide the *Consultant* and the *Construction Manager* with a written list of any such substances that are known to exist and their locations.
- 9.2.3 The *Owner* shall take all reasonable steps to ensure that no person's exposure to any toxic or hazardous substance exceeds the time weighted levels prescribed by applicable legislation at the *Place of the Work* and that no property is damaged or destroyed as a result of exposure to, or the presence of, toxic or hazardous substances which were at the *Place of the Work* prior to the *Construction Manager* commencing the *Work*.
- 9.2.4 Unless the *Contract* expressly provides otherwise, the *Owner* shall be responsible for taking all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to dispose of, store or otherwise render harmless toxic or hazardous substances which were present at the *Place of the Work* prior to the *Construction Manager* commencing the *Work*.
- 9.2.5 If the *Construction Manager*
1. encounters toxic or hazardous substances at the *Place of the Work*, or
 2. has reasonable grounds to believe that toxic or hazardous substances are present at the *Place of the Work*, which were not brought to the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible and which were not disclosed by the *Owner* or which were disclosed but have not been dealt with as required under paragraph 9.2.4, the *Construction Manager* shall
 3. take all reasonable steps, including stopping the *Work*, to ensure that no person's exposure to any toxic or hazardous substances exceeds any applicable time weighted levels prescribed by applicable legislation at the *Place of the Work*, and
 4. immediately report the circumstances to the *Consultant* and the *Owner* in writing.
- 9.2.6 If the *Owner* and *Construction Manager* do not agree on the existence or significance of toxic or hazardous substances, or whether the toxic or hazardous substances were brought onto the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and the *Construction Manager*.
- 9.2.7 If the *Owner* and *Construction Manager* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were not brought onto the place of the *Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Owner* shall promptly at the *Owner's* own expense:
1. take all steps as required under paragraph 9.2.4;
 2. reimburse the *Construction Manager* for the costs of all steps taken pursuant to paragraph 9.2.5;
 3. extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager* and the expert referred to in paragraph 9.2.6 and reimburse the *Construction Manager* for reasonable costs incurred as a result of the delay; and
 4. indemnify the *Construction Manager* as required by GC 12.1 – INDEMNIFICATION.
- 9.2.8 If the *Owner* and *Construction Manager* agree or if the expert referred to in paragraph 9.2.6 determines that the toxic or hazardous substances were brought onto the *Place of the Work* by the *Construction Manager* or anyone for whom the *Construction Manager* is responsible, the *Construction Manager* shall promptly at the *Construction Manager's* own expense:
1. take all necessary steps, in accordance with applicable legislation in force at the *Place of the Work*, to safely remove and dispose the toxic or hazardous substance;

2. make good any damage to the *Work*, the *Owner's* property or property adjacent to the place of the *Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;
3. reimburse the *Owner* for reasonable costs incurred under paragraph 9.2.6; and
4. indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.

9.2.9 If either party does not accept the expert's findings under paragraph 9.2.6, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraph 9.2.7 or 9.2.8 it being understood that by so doing, neither party will jeopardize any claim that party may have to be reimbursed as provided by GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

33. GC 9.3

Delete and replace with the following:

- 9.3.1 Fossils, coins, articles of value or antiquity, structures and other remains or things of scientific or historic interest discovered at the *Place of the Work* shall, as between the *Owner* and the *Construction Manager*, be deemed to be the absolute property of the *Owner*.
- 9.3.2 The *Construction Manager* shall take all reasonable precautions to prevent removal or damage to discoveries as identified in paragraph 9.3.1, and shall advise the *Consultant* upon discovery of such items.
- 9.3.3 The *Consultant* will investigate the impact on the *Work* of the discoveries identified in paragraph 9.3.1. If conditions are found that would cause an increase or decrease in the *Construction Manager's* cost or time to perform the *Work*, the *Consultant*, with the *Owner's* approval, will issue appropriate instructions for a change in the *Work* as provided in GC 5.2 – CHANGE ORDER or GC 6.3 – CHANGE DIRECTIVE.

34. GC 9.5

Delete and replace with the following:

- 9.5.1 If the *Construction Manager* or *Owner* observes or reasonably suspects the presence of mould at the *Place of the Work*, the remediation of which is not expressly part of the *Work*,
1. the observing party shall promptly report the circumstances to the other party in writing;
 2. the *Construction Manager* shall promptly take all reasonable steps, including stopping the *Work* if necessary, to ensure that no person suffers injury, sickness or death and that no property is damaged as a result of exposure to or the presence of the mould; and
 3. if the *Owner* and *Construction Manager* do not agree on the existence, significance or cause of the mould or as to what steps need be taken to deal with it, the *Owner* shall retain and pay for an independent qualified expert to investigate and determine such matters. The expert's report shall be delivered to the *Owner* and *Construction Manager*.
- 9.5.2 If the *Owner* and *Construction Manager* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was caused by the *Construction Manager's* operations under the *Contract*, the *Construction Manager* shall promptly, at the *Construction Manager's* own expense:
1. take all reasonable and necessary steps to safely remediate or dispose of the mould; and
 2. make good any damage to the *Work*, the *Owner's* property or property adjacent to the *Place of the Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY; and
 3. reimburse the *Owner* for reasonable costs incurred under paragraph 9.5.1.3; and
 4. indemnify the *Owner* as required by GC 12.1 – INDEMNIFICATION.
- 9.5.3 If the *Owner* and *Construction Manager* agree, or if the expert referred to in paragraph 9.5.1.3 determines that the presence of mould was not caused by the *Construction Manager's* operations under the *Contract*, the *Owner* shall promptly, at the *Owner's* own expense:
1. take all reasonable and necessary steps to safely remediate or dispose of the mould;
 2. reimburse the *Construction Manager* for the cost of taking the steps under 9.5.1.2 and making good any damage to the *Work* as provided in paragraph 9.1.3 of GC 9.1 – PROTECTION OF WORK AND PROPERTY;
 3. extend the *Contract Time* for such reasonable time as the *Consultant* may recommend in consultation with the *Construction Manager* and the expert referred to in paragraph 9.5.1.3 and reimburse the *Construction Manager* for reasonable costs incurred as a result of the delay; and
 4. indemnify the *Construction Manager* as required by GC 12.1 – INDEMNIFICATION.

9.5.4 If either party does not accept the expert's finding under paragraph 9.5.1.3, the disagreement shall be settled in accordance with Part 8 of the General Conditions – DISPUTE RESOLUTION. If such disagreement is not resolved promptly, the parties shall act immediately in accordance with the expert's determination and take the steps required by paragraphs 9.5.2 or 9.5.3, it being understood that by so doing neither party will jeopardize any claim the party may have to be reimbursed as provided by GC 9.5 – MOUND.

35. **GC 10.1**

Delete and replace with the following:

10.1.1 The *Contract Price* shall include all taxes and customs duties in effect at the time of the bid closing except for *Value Added Taxes* payable by the *Owner* to the *Construction Manager* as stipulated in Article A-8 of the Agreement – CONTRACT PRICE.

10.1.2 Any increase or decrease in costs to the *Construction Manager* due to changes in such included taxes and duties after exercising the stipulated price option shall increase or decrease the *Contract Price* accordingly.

36. **GC 10.2**

Delete and replace with the following:

10.2.1 The laws of the *Place of the Work* shall govern the *Work*.

10.2.2 The *Owner* shall obtain and pay for development approvals, building permit, permanent easements, rights of servitude, and all other necessary approvals and permits, except for the permits and fees referred to in paragraph 10.2.3 or which the *Contract Documents* specify as the responsibility of the *Construction Manager*.

10.2.3 The *Construction Manager* shall be responsible for the procurement of permits, licences, inspections and certificates which are necessary for the performance of the *Work* and customarily obtained by contractors in the jurisdiction of the *Place of the Work* after the issuance of the building permit. The *Contract Price* includes the cost of these permits, licences, inspections and certificates, and their procurement.

10.2.4 The *Construction Manager* shall give the required notices and comply with the laws, ordinances, rules, regulations, or codes which are or become in force during the performance of the *Work* and which relate to the *Work*, to the preservation of the public health, and to construction safety.

10.2.5 The *Construction Manager* shall not be responsible for verifying that the *Contract Documents* are in compliance with the applicable laws, ordinances, rules, regulations or codes relating to the *Work*. If the *Contract Documents* are at variance therewith, or if, subsequent to the time of bid closing, changes are made to the applicable laws, ordinances, rules, regulations or codes which require modification to the *Contract Documents*, the *Construction Manager* shall advise the *Consultant* in writing requesting direction immediately upon such variance or change becoming known. The *Consultant* will make the changes required to the *Contract Documents* as provided in GC 6.1 – OWNER'S RIGHT TO MAKE CHANGES, GC 6.2 – CHANGE ORDER and GC 6.3 – CHANGE DIRECTIVE.

10.2.6 If the *Construction Manager* fails to advise the *Consultant* in writing, fails to obtain direction as required in paragraph 10.2.5, and performs work knowing it to be contrary to any laws, ordinances, rules, regulations or codes; the *Construction Manager* shall be responsible for and shall correct the violations thereof; and shall bear the costs, expenses and damages attributable to the failure to comply with the provisions of such laws, ordinances, rules, regulations or codes.

37. **GC 10.3**

Delete and replace with the following:

10.3.1 The *Construction Manager* shall pay the royalties and patent licence fees required for the performance of the *Contract*. The *Construction Manager* shall hold the *Owner* harmless from and against claims, demands, losses, costs, damages, actions, suits or proceedings arising out of the *Construction Manager's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention by the *Construction Manager* or anyone for whose acts the *Construction Manager* may be liable.

10.3.2 The *Owner* shall hold the *Construction Manager* harmless against claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of the *Construction Manager's* performance of the *Contract* which are attributable to an infringement or an alleged infringement of a patent of invention in executing anything for the purpose of the *Contract*, or any model, plan or design which was supplied to the *Construction Manager* as part of the *Contract*.

38. **GC 11.2**

Delete and replace with the following:

11.2.1 The *Construction Manager* shall, prior to commencement of the *Work* or within the specified time, provide to the *Owner* any *Contract* security required by this *Contract*.

11.2.2 If this *Contract* requires surety bonds to be provided, such bonds shall be issued by a duly licensed surety company authorized to transact a business of suretyship in the province or territory of the *Place of the Work* and shall be maintained in good standing until the fulfilment of this *Contract*. The form of such bonds shall be in accordance with the latest edition of the CCDC approved bond forms.

39. **GC 12.1**

Delete and replace with the following:

12.1.1 Without restricting the parties' obligation to indemnify as described in paragraphs 12.1.4 and 12.1.5, the *Owner* and the *Construction Manager* shall each indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings whether in respect to losses suffered by them or in respect to claims by third parties that arise out of, or are attributable in any respect to, their involvement as parties to this *Contract*, provided such claims are:

1) caused by:

- (1) the negligent acts or omissions of the party from whom indemnification is sought or anyone for whose acts or omissions that party is liable, or
- (2) a failure of the party to the *Contract* from whom indemnification is sought to fulfill its terms or conditions; and

2) made by *Notice in Writing* within a period of 6 years from the date of *Substantial Performance of the Work* as set out in the certificate of *Substantial Performance of the Work* issued pursuant to paragraph 5.5.2.2 of GC 5.5 – SUBSTANTIAL PERFORMANCE OF THE WORK or within such shorter period as may be prescribed by any limitation statute of the province or territory of the *Place of the Work*.

The parties expressly waive the right to indemnity for claims other than those provided for in this *Contract*.

12.1.2 The obligation of either party to indemnify as set forth in paragraph 12.1.1 shall be limited as follows:

- 1) In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is to be provided by either party pursuant to GC 11.1 – INSURANCE, the insurance limit for the loss so covered as prescribed in GC 11.1 – INSURANCE.
- 2) In respect to losses suffered by the *Owner* and the *Construction Manager* for which insurance is not required to be provided by either party in accordance with GC 11.1 – INSURANCE, the greater of the *Contract Price* or \$2,000,000, but in no event shall the sum be greater than \$20,000,000.
- 3) In respect to claims by third parties for direct loss resulting from bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, the obligation to indemnify is without limit. In respect to all other claims for indemnity as a result of claims advanced by third parties, the limits of indemnity set forth in paragraphs 12.1.2.1 and 12.1.2.2 shall apply.

12.1.3 The obligation of either party to indemnify the other as set forth in paragraphs 12.1.1 and 12.1.2 shall be inclusive of interest and all legal costs.

12.1.4 The *Owner* and the *Construction Manager* shall indemnify and hold harmless the other from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings arising out of their obligations described in GC 9.2 – TOXIC AND HAZARDOUS SUBSTANCES.

12.1.5 The *Owner* shall indemnify and hold harmless the *Construction Manager* from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings:

- 1) as described in GC 10.3 – PATENT FEES; and
- 2) arising out of the *Construction Manager's* performance of the *Contract* which are attributable to a lack of or defect in title or an alleged lack of or defect in title to the *Place of the Work*.

12.1.6 In respect to any claim for indemnity or to be held harmless by the *Owner* or the *Construction Manager*:

- 1) *Notice in Writing* of such claim shall be given within a reasonable time after the facts upon which such claim is based became known;
- 2) should either party be required as a result of its obligation to indemnify the other pay or satisfy a final order, judgment or award made against the party entitled by this contract to be indemnified, then the indemnifying party upon assuming all liability for any costs that might result shall have the right to appeal in the name of the party against whom such final order or judgment has been made until such rights of appeal have been exhausted.

40. **GC 12.3**

Delete and replace with the following:

- 12.3.1 Except for extended warranties as described in paragraph 12.3.6, the warranty period under this *Contract* is one year from the date of *Substantial Performance of the Work*.
- 12.3.2 The *Construction Manager* shall be responsible for the proper performance of the *Work* to the extent that the design and the *Contract Documents* permit such performance.
- 12.3.3 The *Owner*, through the *Consultant*, shall promptly give the *Construction Manager* *Notice in Writing* of observed defects and deficiencies which occur during the one year warranty period.
- 12.3.4 Subject to paragraph 12.3.2, the *Construction Manager* shall correct promptly, at the *Construction Manager's* expense, defects or deficiencies in the *Work* which appear prior to and during the one year warranty period.
- 12.3.5 The *Construction Manager* shall correct or pay for damage resulting from corrections made under the requirements of paragraph 12.3.4.
- 12.3.6 Any extended warranties required beyond the one-year warranty period as described in paragraph 12.3.1, shall be as specified in the *Contract Documents*. Extended warranties shall be issued by the warrantor to the benefit of the *Owner*. The *Construction Manager's* responsibility with respect to extended warranties shall be limited to obtaining any such extended warranties from the warrantor. The obligations under such extended warranties are solely the responsibilities of the warrantor.

Delbrook Triumphant Builders Inc.

Shareholders Register

Date	Shareholder	Share Class Name	Number of Shares
February 24, 2020	Sandro Soscia 307 – 10376 Yonge St Richmond Hill, ON L4C 3B8	Common Shares	34
February 24, 2020	Ali Haj-Shafiei 307 – 10376 Yonge St Richmond Hill, ON L4C 3B8	Common Shares	33
February 24, 2020	Mohammad Mehdi Haj-Shafiei 307 – 10376 Yonge St Richmond Hill, ON L4C 3B8	Common Shares	33



New Search

[Vendor/Builder Legal Name](#) ?**DELBROOK HOMES**[Doing Business As Name](#) ?**DELBROOK HOMES**[Umbrella Company](#) ?

N/A

[Licensed](#) ?

N/A

Licence Number

Umbrella groups are not licensed with the HCRA; they are a collection of vendor/builder companies with their own licences.

Initially Licensed

Overview

Properties

Condo Projects

Notices & Orders

Discipline & Appeals

Court Charges and/or Convictions

AT A GLANCE LAST 10 YEARS, UPDATED DAILY
 7 [Total Possessions](#) ?

 7 [Total Freehold Properties](#) ?

 0 [Condominium Units](#) ?
REGULATORY ACTIONS
0 [Notices and/or Orders Issued](#) ?

0 [Disciplinary Activities](#) ?
TARION WARRANTY OVERVIEW LAST 10 YEARS

CHARGEABLE CONCILIATIONS UPDATED DAILY, OTHER DATA UPDATED AS OF MAY 27, 2022

0 [Chargeable Conciliations](#) ? **\$0.00** [Total Dollars Paid in Claims](#) ?

\$0.00 [Outstanding Claims Paid Owing](#) ?

\$0.00 [Breach](#) ? **\$0.00** [Tarion Action on Behalf \(TAB\) of Vendor/Builder](#) ?

For more information, refer to our [Glossary of Terms](#).

OVERVIEW**Address**

3950 14th Ave., Ste. 208

Website

www.delbrookhomes.com

Email

info@delbrookhomes.com

Phone Number

905/233-2244

Fax Number

905/418-0424


MEMBER COMPANIES


These business share at least one common officer, director, principal or partner. The list of member companies comprising an Umbrella Group is based upon information provided by the vendor/builder with its application for registration or renewal. The HCRA does not independently verify this information, it is the licensee's obligation to provide the most up to date information.

Vendor/Builder Legal Name	Doing Business As Name	Licence Status
2252560 Ontario Inc.	2252560 Ontario Inc.	Expired
2591067 Ontario Inc.	2591067 Ontario Inc.	Expired
2596815 Ontario Inc.	2596815 Ontario Inc.	Expired
Delbrook Homes Inc.	Delbrook Homes Inc.	Expired
Delbrook Triumphant Builders Inc.	Delbrook Triumphant Builders Inc.	Licensed
Triumph Development HK (Markham Apollo) Inc.	Triumph Development HK (Markham Apollo) Inc.	Expired
Triumph Development HK Bradford Twin Regency Inc.	Triumph Development HK Bradford Twin Regency Inc.	Expired

CONTACT

 info@hcraontario.ca

 (416) 487-HCRA (4272)
Toll Free: [1-800-582-7994](tel:1-800-582-7994)

 40 Sheppard Ave. W, Fourth Floor, Suite 400
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New Search

[Vendor/Builder Legal Name](#) ?**DELBROOK TRIUMPHANT BUILDERS INC.**[Licensed](#) ?

✔ Yes

[Doing Business As Name](#) ?**DELBROOK TRIUMPHANT BUILDERS INC.**

Licence Number

48261

[Licence Status](#) ?

Licensed

Licence Expiry Date

April 10, 2023

Initially Licensed

April 9, 2020

[Umbrella Company](#) ?[Delbrook Homes](#)

Overview

Properties

Condo Projects

Notices & Orders 0

Disciplinary Activities 0

Court Charges and/or Convictions 0

AT A GLANCE LAST 10 YEARS, UPDATED DAILY **0** [Total Possessions](#) ? **0** [Total Freehold Properties](#) ? **0** [Condominium Units](#) ?**REGULATORY ACTIONS****0** [Notices and/or Orders Issued](#) ? **0** [Disciplinary Activities](#) ? **0** [Court Charges and/or Convictions](#) ?**TARION WARRANTY OVERVIEW** LAST 10 YEARS

CHARGEABLE CONCILIATIONS UPDATED DAILY, OTHER DATA UPDATED AS OF MAY 27, 2022

0 [Chargeable Conciliations](#) ? **\$0.00** [Total Dollars Paid in Claims](#) ?**\$0.00** [Outstanding Claims Paid Owing](#) ?**\$0.00** [Breach](#) ? **\$0.00** [Tarion Action on Behalf \(TAB\) of Vendor/Builder](#) ?For more information, refer to our [Glossary of Terms](#).**OVERVIEW****Address**10376 Yonge Street, Suite 307
Richmond Hill**Website**

www.delbrookgroup.com

Email

mehdi@delbrookhomes.com

Phone Number

647-930-8548

PRINCIPALS, DIRECTORS & OFFICERS

Name: Ali Haj-Shafiei
Role(s): Director, Officer, Principal
Contact: 905-218-3600

Name: Mohammad Mehdi Haj-Shafiei
Role(s): Director, Officer, Principal
Contact: 647-930-8548

Name: Sandro Soscia
Role(s): Director, Officer, Principal
Contact: 905-218-3600

LICENCE CONDITIONS

 There are no conditions on this vendor/builder's licence.


UMBRELLA GROUP


These business share at least one common officer, director, principal or partner. The list of member companies comprising an Umbrella Group is based upon information provided by the vendor/builder with its application for registration or renewal. The HCRA does not independently verify this information, it is the licensee's obligation to provide the most up to date information.


[Delbrook Homes](#)

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 2591067 Ontario Inc.	2591067 Ontario Inc.	Expired
 2596815 Ontario Inc.	2596815 Ontario Inc.	Expired
 Delbrook Homes Inc.	Delbrook Homes Inc.	Expired
 Delbrook Triumphant Builders Inc.	Delbrook Triumphant Builders Inc.	Licensed
 Triumph Development HK (Markham Apollo) Inc.	Triumph Development HK (Markham Apollo) Inc.	Expired
 Triumph Development HK Bradford Twin Regency Inc.	Triumph Development HK Bradford Twin Regency Inc.	Expired

CONTACT

 info@hcraontario.ca

 [\(416\) 487-HCRA \(4272\)](tel:(416)487-4272)
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New Search

Vendor/Builder Legal Name ?**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.**Licensed ?**✕ No**

Licence Number

48506

Doing Business As Name ?**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.**Licence Status ?**Expired**Status Last Updated

January 20, 2022

Initially Licensed

January 19, 2021

Umbrella Company ?[Delbrook Homes](#)

Overview

Properties

Condo Projects

Notices & Orders 0

Disciplinary Activities 0

Court Charges and/or Convictions 0

AT A GLANCE LAST 10 YEARS, UPDATED DAILY 0 Total Possessions ? 0 Total Freehold Properties ? 0 Condominium Units ?**REGULATORY ACTIONS**0 Notices and/or Orders Issued ? 0 Disciplinary Activities ? 0 Court Charges and/or Convictions ?**TARION WARRANTY OVERVIEW** LAST 10 YEARS

CHARGEABLE CONCILIATIONS UPDATED DAILY, OTHER DATA UPDATED AS OF MAY 27, 2022

0 Chargeable Conciliations ? **\$0.00** Total Dollars Paid in Claims ?**\$0.00** Outstanding Claims Paid Owing ?**\$0.00** Breach ? **\$0.00** Tarion Action on Behalf (TAB) of Vendor/Builder ?For more information, refer to our [Glossary of Terms](#).**OVERVIEW****Address**2362 8th Line
Bradford**Website**<https://twinregency.ca/>**Email**twinregency@triumphantgroup.ca**Phone Number**

647-616-0366

PRINCIPALS, DIRECTORS & OFFICERS

Name: Jun Chen
Role(s): Director
Contact: maggie@triumphantgroup.ca

Name: Lu Shen
Role(s): Director
Contact: 416-666-4168

LICENCE CONDITIONS

 There are no conditions on this vendor/builder's licence.

UMBRELLA GROUP


These business share at least one common officer, director, principal or partner. The list of member companies comprising an Umbrella Group is based upon information provided by the vendor/builder with its application for registration or renewal. The HCRA does not independently verify this information, it is the licensee's obligation to provide the most up to date information.


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 Triumph Development HK Bradford Twin Regency Inc.	Triumph Development HK Bradford Twin Regency Inc.	Expired


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RE: Director Indemnification -

Mehdi Shafiei <mehdi@delbrookhomes.com>

Tue 5/19/2020 5:12 PM

To: 'Peter Proszanski' <peter@himprolaw.com>; shickman@himprolaw.com <shickman@himprolaw.com>

Cc: 'Wilson Lu' <wilson@triumphantgroup.ca>; 'Maggie Wu' <maggie@triumphantgroup.ca>

 2 attachments (348 KB)

Change of Director 2020-04-27.pdf; Change of Director 2020-04-27(1).pdf;

Hi Peter and Sarah,

In order to ease the process for the Tarion Vendor registration for the following corporations and in order to help Wilson with managing the related work; my name and my father's name have been added to the following corporations and which hold the following lands: (please find attached)

- Triumph Development HK (Markham Apollo) Inc. (holds the land known as 5077 14th Ave, Markham)
- Triumph Development HK Bradford Twin Regency Inc. (holds the land known as 2362 8th Line, Bradford)

We need the Director Indemnification in favour of Ali Haj-Shafiei and Mohammad Mehdi Haj-Shafiei from other Directors and Shareholders of these corporations. Also, in order not to jeopardize our relationship with Tarion and to protect our credibility with them, we need few more clauses as part of the indemnification and agreements:

- Wilson and the other shareholders and directors of the company will be guaranteeing to provide the required securities, payments, renewal fees, enrollment fees and other related costs as per the request of Tarion Registry office.
- Wilson and other shareholders and directors of the company will be providing the required documentations accordingly to support with the registration of the Tarion.
- Wilson and other shareholders and directors of the company to pay for all the fees and associated expenses for this matter.
- Ali and Mehdi to be compensated accordingly for providing their services.
- All the deposits received from the sales of the property to be deposited in the shared bank account where Ali and Mehdi are having access to it. Wilson and other shareholders and directors can't use the deposits prior to permission of Mehdi and Ali.
- The budget for After Sales services to be defined and Wilson and other shareholders and directors of the company will be responsible to pay for all the costs associated with this inclusive the direct and indirect costs.
- All the securities from the work after the finalizing of the sales of the new houses to be deposited in the Builder's Account for the period to be agreed upon on a case by cases to protect the warranty period of Tarion.
- Ali and Mehdi won't be responsible for any tax matters, CRA matters, borrowing and financing matter and further any potential claims such as liens and/or loss claims from any third party.
- Ali and Mehdi can terminate their Tarion License at any events of default by Wilson or other Directors and/or shareholders and they have the right to receive compensation accordingly for any losses, loss of opportunity costs etc.
- Any other clauses that you feel necessary for the sole protection of Ali and Mehdi.

Please note that the legal bill for these agreements are payable by the two corporations.

Thanks,

Mehdi

**Mehdi Shafiei****Tel: 647-930-8548****Direct: 905-597-8887 Ext. 238****Cell: 416-803-5527****E-mail: mehdi@delbrookhomes.com****310-350 Highway 7 East****Richmond Hill, ON L4B 3N2****www.DelBrookGroup.com**

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From: Peter Proszanski <peter@himprolaw.com>**Sent:** May-19-20 2:49 PM**To:** mehdi@delbrookhomes.com**Subject:** FW: Director Indemnification**Peter Proszanski**

Himelfarb Proszanski

Barristers & Solicitors

480 University Avenue, Suite 1401

Toronto, Ontario, M5G 1V2

Phone. (416) 599-8080 Ext.222

Fax. (416) 599-3131

Email. peter@himprolaw.comWeb. www.himprolaw.com

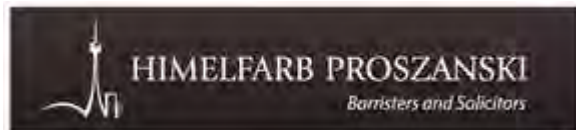
From: Sarah Hickman**Sent:** May-19-20 2:30 PM**To:** Peter Proszanski <peter@himprolaw.com>**Subject:** FW: Director Indemnification

Any further instructions on this?

Sarah Hickman, B.A. (Hons.), J.D.

Himelfarb Proszanski
Barristers & Solicitors
480 University Avenue, Suite 1401
Toronto, Ontario, M5G 1V2

Phone. (416) 599-8080 Ext.334
Fax. (416) 599-3131
Email. shickman@himprolaw.com
Web. www.himprolaw.com



From: Peter Proszanski
Sent: Monday, April 27, 2020 2:17 PM
To: mehdi@delbrookhomes.com
Cc: Sarah Hickman <shickman@himprolaw.com>
Subject: RE: Director Indemnification

We are acting for Wilson also need a waiver signed relating to potential conflict and who are we acting for

Peter Proszanski

Himelfarb Proszanski
Barristers & Solicitors
480 University Avenue, Suite 1401
Toronto, Ontario, M5G 1V2

Phone. (416) 599-8080 Ext.222
Fax. (416) 599-3131
Email. peter@himprolaw.com
Web. www.himprolaw.com



From: mehdi@delbrookhomes.com [<mailto:mehdi@delbrookhomes.com>]
Sent: April-27-20 2:02 PM
To: Peter Proszanski <peter@himprolaw.com>
Subject: Director Indemnification

Hi Peter,

As discussed, because of our relations with Tarion, I have added my name and my father's name to the corporation of Wilson. I need some sort of indemnity agreement and release forms as well as if anything happens to these corporations and they come after us, we can go against Wilson.

Can you please prepare a document for me?

Thanks,



Mehdi Shafiei

Tel: 647-930-8548

Direct: 905-597-8887 Ext. 238

Cell: 416-803-5527

E-mail: mehdi@delbrookhomes.com

310-350 Highway 7 East

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Triumph Project Updates - 2362 8th Line, Bradford;

Mehdi Shafiei <mehdi@delbrookhomes.com>

Fri 4/2/2021 9:35 AM

To: 'Maggie Wu' <maggie@triumphantgroup.ca>; 'Wilson Shen' <910396787@qq.com>; 'Wilson Shen' <wilson@triumphantgroup.ca>

Cc: 'Gary Chan' <gary@triumphantgroup.ca>; 'Adela Zhong' <adela@triumphantgroup.ca>

 1 attachments (2 KB)

image001.jpg;

Good morning Maggie and Wilson,

We had our month-end meeting with our development and construction team yesterday and there are few items that we would like to bring to your attention for 2362 8th Line project which I summarize below:

The current work in progress:

- All the detailed designs have been finalized inclusive of Architectural, Civil and Site Servicing Designs, Landscaping and relative reports, traffic impact studies, structural designs, reviews of electrical and mechanical designs and design reviews and all other relative paper work and reports. These are based on the final confirmation that we have received from the City of Bradford Planning and Engineering Department after our 1st SPA submissions and receiving their comments and now we are ready to submit the 2nd submission which is more or less the complete set. It is worthwhile to mention that the City is fine with our strategy to increase the density from 107 condominium units to 239 condominium units which is a significant added value for the project. Please note that your marketing team also were consulted with the floor plans and layouts and we have incorporated their suggestions in our design.
- The Cost Consultant – Altus Group – were consulted and after many meetings and discussions, they have finalized their proforma and report.
- All the communications with City of Bradford as well as the Lake Simcoe Conservation Authority is in progress.
- The pre-construction work has been finalized and we have completed our constructability analysis for the project for the past year. Moreover, we have started pricing the major items of the work as you are aware and we are working on comparison with the budget that Altus Group that has provided.
- Tarion Vendor Registration is finalized.
- Through our network, the Bond Company and the Lender for the Construction Financing work is in progress and as you are aware we have received offers for the financing of the project.
- All the APS and Condominium Declaration works are completed to 95%. We have forwarded you the copies of the Surveyor work for the Condominium Plans and we are waiting to hear back your advice.
- We have had meetings and communication alongside your marketing team and our suppliers and trades to choose the relative finishing and we have finalized the schedule D of the APS.
- In addition, we have engaged the consultant with coordination with your internal marketing team to prepare the required marketing boards and also working on the upgrade schedules.
- As per your marketing requirements, we are in process of engaging Bell Canada and other Smart Condominium projects to provide a upgrade and smart technology for the building as an feature.
- We have finalized the zoning requirements for the sales centre with the City of Bradford and we have finalized the designs of the sales centre.
- We have managed to obtain the demolition permits for the existing structures and we have demolished and prepared the site for your sales centre.
- There are much more work that has been completed but I just make it short above.

Required Directions from Triumph Team:

- What is your schedule to go to market? We need to understand your marketing strategy here so we can finalize our timelines.
- In addition, for Tarion / HCRA regulations and policies, we need to understand the status of our sales so we can finalize our critical closing dates.
- We have been receiving numerous phone calls and emails from outside as well as the City of Bradford as well as the social media that they are concerned about the project. We understand that you have sold some VIP tickets for the potential purchasers and they are currently following up with the status of the project. We have been informed that they are not been able to get a hold of Triumph office and no one is getting back to them.
- In addition, we have been notified by you that you are planning to return the VIP ticket holders deposits. Could you please assist us to understand if you have a new marketing strategy in place?
- As you are aware, we have a team that is working on this project both internally and externally and there are substantial liabilities which is accumulating here and therefore we believe that the clear directions and communication is critical with development and construction management teams. As you can appreciate, our team have spent over 4 years to develop this project and we have not engaged ourselves in other major projects since we have planned that that construction for this project would begin and we have placed lots of efforts and attentions to this project especially during the past 14 months for planning the construction.
- There are many unpaid invoices for this project and as you are aware, we have been promised with payments for months now. However, these payments are well overdue and some of them goes back for past 6-7 months now and there are many in-progress works. We appreciate your prompt response on this as we are under a lot of pressure.
- The lender has provided their LOI for some time now and last we met, you mentioned that you will provide your comments for the LOI so we can have them finalize the commitment. Could you please advise the status?
- Also, you have asked us to work on Building B (Phase 2) of the project which we have already started the progress. So, could you please advise on what is your timeline for Building B and how you want to proceed with it? Do you want to first pre-sell the condominium units on Building A (Phase 1) and then develop Phase 2?

We would be very thankful if you can please provide us with an update at your earliest.

Sincerely,
Mehdi Shafiei



Mehdi Shafiei

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www.DelBrookGroup.com

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RESIGNATION

TO: DELBROOK TRIUMPHANT BUILDERS INC.

AND TO: THE SHAREHOLDERS AND DIRECTORS THEREOF

I hereby tender my resignation as Director and Officer of the Corporation, to take effect forthwith.

DATED this 11th day of November 2020.

A handwritten signature in black ink, appearing to read 'Gary Chan', is written above a horizontal line.

Gary Chan

RESIGNATION

TO: DELBROOK TRIUMPHANT BUILDERS INC.

AND TO: THE SHAREHOLDERS AND DIRECTORS THEREOF

I hereby tender my resignation as Director and Officer of the Corporation, to take effect forthwith.

DATED this 11th day of November 2020.



Lu Shen

THIS AGREEMENT is effective as of the Registration Date (as defined below).

BETWEEN: Triumph Development HK Bradford Twin Registry Inc
(Print the exact legal name of the Vendor)

(hereinafter referred to as the "Registrant")

AND:

Tarion Warranty Corporation, a private, non-profit corporation,
 incorporated without share capital, pursuant to the laws of the Province of
 Ontario

(hereinafter referred to as "Tarion")

VENDOR AGREEMENT

WHEREAS:

1. Tarion is a private, non-profit corporation designated by the Lieutenant Governor in Council to administer the *Ontario New Home Warranties Plan Act*, as amended from time to time (the "Act");
2. the Registrant applied to Tarion for registration as a vendor under the Act;
3. it is a condition of Tarion granting registration under the Act that the Registrant execute and agree to be contractually bound by this standard form Vendor Agreement (the "Agreement"), which Agreement deals with the Registrant's rights and obligations as a vendor under the Act, the regulations enacted thereunder, as amended from time to time (the "Regulations") and all applicable builder bulletins issued by Tarion from time to time (the "Bulletins");
4. this Agreement is valid and effective only if the party identified above as Registrant is granted registration as a vendor by Tarion under the Act (the date of such registration being the "Registration Date");
5. Tarion agrees to be contractually bound by this Agreement as of the Registration Date, subject to the above requirements, and provided no changes are made to the form of Agreement;

NOW THEREFORE IN CONSIDERATION OF the registration of the Registrant under the Act, and for other good and valuable consideration (the receipt and sufficiency of which is hereby expressly acknowledged), Tarion and the Registrant hereby confirm the veracity of the foregoing

regards and that same comprise an integral part of this Agreement, and agree with each other as follows:

ARTICLE 1.0—APPLICATION AND REGISTRATION

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| Authority of the Registrant to enter into the Agreement | 1.1 | The Registrant represents and warrants to Taron that the Registrant has full capacity, power and authority to enter into this Agreement, holds all necessary licenses and permits required to carry on the business of selling homes in the Province of Ontario and, if a corporation, is a duly organized and validly subsisting corporation under the laws of the Province of Ontario (or alternatively is a duly organized and validly subsisting extra-provincial corporation or federal corporation, and licensed to carry on business in the Province of Ontario). |
| Commitment to true and accurate disclosure | 1.2 | The Registrant further represents and warrants to Taron that the information set forth in the application for registration of the Registrant under the Act, and in other documents furnished by the Registrant to Taron in connection with such application, is true and correct in all material respects and does not omit to communicate any fact, circumstance or information that may have a material adverse impact on the Registrant's ability to fulfill its obligations under this Agreement, or that may reasonably have a material affect on the risk assessment undertaken (or to be undertaken), in connection with the registration (or continued registration) of the Registrant under the Act. |
| Commitment to submission of security, financial information and other documentation | 1.3 | The Registrant shall, upon the request of Taron and at the expense of the Registrant, furnish Taron with such guarantees, indemnities, surety bonds, letters of credit, deposit trust agreements, undertakings, collateral charges and/or other security instruments as Taron may reasonably require in accordance with the Act and the Regulations, together with statements of personal net worth, bank statements, driver's licenses, birth certificates, articles of incorporation, sample signatures, corporate by-laws, financial statements, and/or such other documentation, records and security as Taron may reasonably require for the purpose of initial registration, renewal of registration and/or securing the obligations imposed upon the Registrant by the Act, the Regulations, this Agreement and/or the Bulletins. Between renewal dates, Taron shall not require additional documentation or security from or on behalf of the Registrant, unless Taron reasonably believes that intervening circumstances have arisen which may impair the Registrant's ability to sell homes and/or carry out any requisite after sales service and warranty work. |
| Use of credit information | 1.4 | The Registrant hereby authorizes Taron to procure and utilize, from time to time, credit information in respect of the Registrant, and agrees that no action, claim or other proceeding shall be |

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			<p>initiated or pursued against Tarion in respect of any damages incurred by the Registrant thereby, provided such credit information is not disclosed to any third party, except for credit reporting agencies to whom Tarion owes a duty of disclosure, and except as otherwise required by law.</p>
Vendor's ongoing disclosure obligation	1.5		<p>The Registrant shall be obliged to communicate to Tarion any fact, circumstance or information that may have a material adverse impact on the Registrant's ability to sell homes and/or carry out any requisite after sales service and warranty work.</p>
Tarion's disclosure obligation	1.6		<p>Tarion agrees to advise the Registrant, in writing, of all notices of claims or potential claims that Tarion receives from any purchaser(s) or homeowner(s) relating to any home(s) in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant). Tarion also agrees to provide the Registrant with a reasonable opportunity (as may be specified by the Act, and/or the Regulations from time to time) to rectify or remedy any warrantable work or financial loss claim(s) prior to Tarion initiating any enforcement proceedings or remedial work.</p>
Termination of the Registrant's obligations	1.7		<p>This Agreement, and all obligations of the Registrant hereunder may not be unilaterally terminated by the Registrant, but rather, shall remain in full force and effect and continue to bind the Registrant, notwithstanding any expiry or revocation of the registration of the Registrant under the Act and notwithstanding any amendment, alteration or modification of the Act or the Regulations, until the earlier of the date that:</p> <ul style="list-style-type: none"> (i) all obligations and liabilities of the Registrant to Tarion have been fulfilled or complied with; or (ii) all applicable warranty or limitation periods have expired with no claims having been filed with Tarion prior thereto; <p>relating to any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant).</p>
Consent to transfer or assign the registration	1.8		<p>The registration of the Registrant under the Act is not transferable or assignable by the Registrant, whether by way of power of attorney, sale, amalgamation or otherwise, without the prior written consent of Tarion.</p>
No unauthorized use of the registration number	1.9		<p>The Registrant shall not permit the use of the Registrant's registration number by any other party, and without limiting the generality of the foregoing, the Registrant shall immediately report the use of the Registrant's registration number by any other party to Tarion upon becoming aware of same.</p>

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Designation as "Registered Vendor" 1.10 During the term of the registration of the Registrant under the Act, the Registrant shall be entitled to hold itself out as a "Registered Vendor".

ARTICLE 2.0 – LIABILITY AND INDEMNITY

Warranty obligations during the warranty periods 2.1 The Registrant shall diligently perform the obligations heretofore or hereafter imposed upon the Registrant by the Act, the Regulations, this Agreement and/or the Bulletins and shall indemnify and save Taron harmless from and against all losses, claims, costs, damages and/or liabilities whatsoever heretofore or hereafter suffered or incurred by Taron resulting from (or arising out of) any non-performance or inadequate performance of such obligations, in whole or in part, at the times, (and in the manner) as may be provided or contemplated by the Act, the Regulations, this Agreement and/or the Bulletins, provided written notice of a claim against the Registrant, or relating to any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant) has been given to Taron within the relevant warranty period(s).

Obligations for financial losses of purchasers 2.2 The Registrant shall diligently perform the obligations of the Registrant under each purchase agreement heretofore or hereafter entered into by the Registrant relating to any home in respect of which the Registrant acted as Vendor (or that was enrolled by the Registrant). In the event of the failure of the Registrant to perform such obligations, the Registrant shall pay to each purchaser who has made a written claim to Taron (in respect of his or her purchase agreement with the Registrant) prior to the expiration of the applicable limitation period, the amount of the financial loss suffered by such purchaser plus, in the case of a condominium unit, deposit interest which is owing by the Registrant to the purchaser pursuant to the *Condominium Act*, and shall indemnify and save Taron harmless from and against all losses, claims, costs, damages and/or liabilities whatsoever heretofore or hereafter suffered or incurred by Taron resulting from (or arising out of) any non-payment of such financial loss amount and interest.

Obligations of Registrant and Taron for major structural defects 2.3 Without limiting the obligations of the Registrant to Taron arising under 2.1 and 2.2 hereof, it is understood and agreed that the Registrant shall indemnify and save Taron harmless from and against all losses, claims, costs, damages and/or liabilities whatsoever heretofore or hereafter suffered or incurred by Taron resulting from (or arising out of) any major structural defect in any home in respect of which the Registrant acted as Vendor (or that was enrolled by the Registrant), all in accordance with the Act and Regulations.

Enforcement of obligations	2.4	Tariion shall not be obliged to proceed against the builder of any home in respect of which the Registrant acted as Vendor (or that was enrolled by the Registrant), prior to proceeding to enforce the obligations of the Registrant under this Agreement.
Vendor obligation to remain Registered Builder	2.5	Where the Registrant does not build homes in the ordinary course of the Registrant's business, the Registrant shall at all times maintain in full force and effect an agreement with a builder registered under the Act who does build homes in the ordinary course of its business, whereby such builder agrees to diligently perform the work required to fulfill each and every obligation imposed upon the Registrant by the Act, the Regulations, this Agreement and any Bulletins, in respect of the construction of such home (and completion items) for which the builder has received payment and to maintain its agreement with Tariion to indemnify and save Tariion harmless from and against all losses, claims, costs, damages and/or liabilities heretofore or hereafter suffered or incurred by Tariion resulting from (or arising out of) any non-performance or non-fulfillment of such obligations, in whole or in part. The Registrant shall provide Tariion with a copy of such agreement upon applying for registration under the Act, and shall forthwith advise Tariion should such agreement be terminated, substantially modified or replaced with a similar agreement with another builder.
Preservation of rights and claims against others	2.6	The Registrant shall preserve all assignable rights and claims that the Registrant may have against manufacturers, suppliers, vendors, builders, contractors, sub-contractors and others in respect of any major structural or other construction defect(s), or with respect to any contravention of the Ontario Building Code, relating to any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant), and in those circumstances where the Registrant is not diligently enforcing or pursuing such rights and claims, and to the extent permitted by law, the Registrant shall forthwith upon the request of Tariion, assign and transfer all such rights and claims to and in favour of Tariion, and shall execute and deliver such assignments and other instruments and do such acts and things as Tariion may reasonably require in order to enable Tariion to prosecute and enforce such rights and claims as fully and effectually as the same could be prosecuted and enforced by the Registrant.
Administration fee	2.7	The Registrant shall pay to Tariion an administration fee equivalent to fifteen (15%) per cent (or such other per cent as may be stipulated from time to time by the Regulations) of each amount paid out by Tariion to any purchaser(s), homeowner(s) or third party contractor(s)/consultant(s) in respect of the obligations imposed upon the Registrant by the Act, the Regulations, this Agreement and/or the Bulletins.

Interest on debt	2.8	The Registrant shall pay to Taron interest on any amounts owed to Taron by the Registrant by virtue of the Act, the Regulations, this Agreement and/or the Bulletins, which interest shall accrue at the rate of eighteen (18%) per cent per annum, calculated annually, not in advance (or such other interest rate as may be stipulated from time to time by the Regulations) and accruing from and after the respective date(s) that any amount(s) is/are so due or owing to Taron, to and until the date that all such amounts (together with all interest accrued thereon as aforesaid) have been fully paid or remitted to Taron.
Binding nature of the Agreement	2.9	This Agreement shall extend and enure to the benefit of the successors and assigns of Taron and shall be binding upon the Registrant and the heirs, estate trustees, legal representatives successors and permitted assigns of the Registrant.

ARTICLE 3.0 – ONGOING TERMS AND CONDITIONS OF REGISTRATION

Access to inspect and copy relevant books and records	3.1	Upon reasonable prior notice the Registrant shall allow Taron free access, during normal business hours, to inspect (and make copies of all relevant portions of) the Registrant's books and records relating to the construction and/or sale of any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant), to ensure compliance with the Act, the Regulations, this Agreement and/or the Bulletins.
Provision of documents	3.2	The Registrant shall, at the Registrant's expense and upon the request of Taron, furnish to Taron copies of all purchase agreements, construction contracts, insurance contracts construction reports and such other documents relating to any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant), and which are in the Registrant's possession or control, as Taron may reasonably require from time to time.
Limits on selling or collecting deposits	3.3	The Registrant shall not sell and/or collect deposits on homes sold exceeding the maximum number of homes (if any) permitted to be sold by Taron, without obtaining the prior written consent of Taron thereto.
Written notice in advance of inspections	3.4	The Registrant shall provide to Taron written notice of the completion of any stage of construction of any homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant), as specified by Taron as a condition of the registration of the Registrant, in order to allow for whatever inspections Taron may wish to have carried out with respect to same.

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Obligation for annual renewal of registration	3.5	The Registrant shall annually apply for the renewal of its registration under the Act and shall pay the renewal fee as prescribed from time to time by Tarion, notwithstanding the delivery or non-delivery to the Registrant of the prescribed renewal application form.
Provision of documents prior to selling condominium units	3.6	Without limiting the obligations of the Registrant to Tarion arising under section 1.3 hereof, the Registrant shall, prior to selling any units in a condominium project, furnish to Tarion such documentation, agreements and security as Tarion may require in order to secure the performance and fulfillment of the Registrant's obligations and liabilities to Tarion arising under the Act, the Regulations, this Agreement and/or the Bulletins provided; however, that no security shall be required to be posted or given to Tarion by the Registrant in respect of reservation agreements only.
Exclusion of reservation agreements		
Delivery of deposit receipts to Registrant	3.7	Following the enrolment of the common elements of a condominium project in respect of which the Registrant acted as Vendor (or that was enrolled by the Registrant), and the provision of any required security acceptable to Tarion in connection therewith, Tarion shall furnish the Registrant with a deposit receipt for every dwelling unit for which deposit security has been provided.
Delivery of Certificate of Completion and Possession to owners and Tarion	3.8	The Registrant shall properly complete, execute and deliver to the owner of each home, in respect of which the Registrant acted as Vendor, a Certificate of Completion and Possession in the form provided from time to time by Tarion, setting forth the date upon which the home is completed for possession, and shall furnish Tarion with a copy of same within fifteen (15) days after said date.
Delivery of duplicate registered declaration of condominium project to Tarion	3.9	In the case of a condominium project developed and/or registered by the Registrant, the Registrant shall forward a copy of the duplicate registered condominium declaration to Tarion within fifteen (15) days after the registration of such declaration.
Compliance with Builder Bulletin	3.10	The Registrant shall diligently comply with the provisions of the Bulletins, issued by Tarion from time to time in accordance with the Act and the Regulations, where applicable to the Registrant, provided Tarion has given the Registrant reasonable prior notice of the provisions of the Bulletins. Tarion confirms and agrees that any Bulletins issued shall not have retroactive effect with respect to any home(s) under construction as at their respective issue dates, unless otherwise required pursuant to any applicable judicial ruling or statutory provision.
Notification of business changes to Tarion	3.11	The Registrant shall notify Tarion in writing of any change in the mailing address or facsimile number of the Registrant, any change in the members of (or partners in) the Registrant, and/or any

change in the officers, directors or shareholders of the outstanding voting shares of the Registrant, within fifteen (15) days after the date of any such change.

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| Inclusion of addendum in purchase agreements | 3.12 | The Registrant shall include in each purchase agreement entered into by the Registrant, relating to any home in respect of which the Registrant acted as Vendor (or that was enrolled by the Registrant), all addenda prescribed by Taron, from time to time, provided Taron has given reasonable prior notice of same to the Registrant. |
| Term and condition of registration | 3.13 | Compliance with the provisions of this Agreement shall form a term and condition of the registration of the Registrant under the Act. |

ARTICLE 4.0 – ADMINISTRATIVE MATTERS

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| | 4.1 | <i>Revised</i> |
| Notice by Registrant or Taron | 4.2 | Any notice desired or required to be given by either of the parties hereto to the other shall be conclusively deemed to have been sufficiently given if delivered by ordinary mail, hand/courier or by telefax only on business days (excluding Saturdays, Sundays and statutory holidays), and shall be deemed to have been received on the fifth business day after any such notice has been mailed/posted, or on the day that same has been delivered by hand/courier or telefaxed, on the express understanding that any notice delivered by hand/courier or telefaxed after 4:30 p.m. shall be deemed to have been received on the next business day following the date of such delivery or such telefax transmission (as the case may be), and provided further that if telefaxed, a confirmation of such telefax transmission must be received by the transmitting party at the time of such transmission, otherwise same shall be deemed not to have been properly or sufficiently telefaxed to the intended party. In the case of the Registrant, any notice given by Taron shall be delivered to the Registrant's address or telefax number as specified in this Agreement or at such other address or telefax number as the Registrant may, from time to time, designate by way of written notice received by Taron. |
| Taron reporting of Registrant's performance | 4.3 | The Registrant hereby authorizes Taron to report on the Registrant's performance and/or compliance status relating to homes in respect of which the Registrant acted as Vendor (or that were enrolled by the Registrant) in any publication (whether print, electronic or otherwise). Prior to Taron reporting such information in any such publication, Taron shall provide the Registrant with prior notice of same and the Registrant shall have fifteen (15) days thereafter within which to challenge, question, rectify or supplement the subject matter of such report. Taron hereby undertakes and agrees to exercise due diligence in order to |
| Due diligence by Taron to ensure notice and accuracy | | |

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- reporting ensure the veracity and accuracy of all information so reported and/or published. Taron shall be entitled to proceed with such reporting or publication notwithstanding any challenge or question, after having thoroughly investigated the matter.
- Taron disclosure of Registrant's ability to sell and provide after sales service 4.4 The Registrant further authorizes the disclosure of information by Taron to the general public (and/or any credit reporting agency to whom Taron owes a duty of disclosure) concerning the Registrant's ability to sell homes and carry out any requisite after sales service and warranty work, where the Registrar of Taron believes it advisable to do so for the protection of the public. Prior to Taron disclosing such information, Taron shall provide the Registrant with prior notice of same and the Registrant shall have fifteen (15) days thereafter within which to challenge, question, rectify or supplement such information. Taron shall be entitled to proceed with such disclosure, notwithstanding any challenge or question, after having reasonably considered same, provided Taron honestly believes that the information disclosed is accurate in all material respects.
- Misleading advertising 4.5 The Registrant covenants and agrees that it shall not advertise or publish a registration or enrolment number that the Registrant does not have (or that does not exist), and the Registrant shall not promote, publish or advertise a rating or qualification that the Registrant does not have. The Registrant further acknowledges and agrees that a breach of this provision shall entitle the Registrar to obtain and enforce a court order to enjoin and/or restrain such activities.
- Provision of Registrant's name, address, telephone and telefax to certain Registrants 4.6 The Registrant authorizes the provision by Taron of its database containing only the names, business addresses, telephone and telefax numbers of all Registrants, from time to time, to recognized builder associations. In addition, the Registrant authorizes Taron to provide the name, business address, telephone and telefax number of the Registrant in the *Rating for After Sales Service* and to anyone desiring to contact the Registrant.
- Governance by the laws of Ontario and Canada 4.7 This Agreement shall be construed in accordance with (and be governed by) the laws of the Province of Ontario and the laws of Canada applicable thereto.
- Jurisdiction of legal proceedings 4.8 The parties hereto shall attend to the jurisdiction of the courts of the Province of Ontario, and confirm that any legal proceedings in respect of this Agreement shall be tried at Toronto or such other venue as is proposed by Taron in any application or originating process initiated by Taron in respect of this Agreement.
- Severability of invalid provisions 4.9 Any provision of this Agreement which is finally determined to be illegal, void or unenforceable in any relevant jurisdiction by a court

of competent jurisdiction shall, as to such jurisdiction only, be ineffective to the extent of such illegality, voidness or unenforceability without invalidating or in any way impairing the enforceability of the remaining provisions hereof.


Definitions of words and expressions	4.10	The words and expressions used in this Agreement shall, unless otherwise defined in this Agreement, have the meanings ascribed to them in the Act and the Regulations.
Headings and margin notes	4.11	The insertion of headings and margin notes in this Agreement is for the purpose of convenience of reference only, and shall not affect the construction or interpretation of this Agreement.
English language	4.12	The parties have requested that this Agreement and all related documents and instruments be drawn up in the English language. Les parties confirment leur volonté que la présente convention et tous les documents qui s'y rattachent soient rédigés en anglais.
Gender and number	4.13	This Agreement shall be read and construed with all changes in gender and/or number as may be required by the context.
Receipt of true copy	4.14	The Registrant hereby acknowledges having read and understood this Agreement and having received a true completed copy of this Agreement.

IN WITNESS WHEREOF the Registrant has executed this Agreement, under seal, as of the date first above-mentioned.

Witness
Name: _____
(print legibly)

Registrant
Name: Triumph Development KK Brothers / Tim Ragan Inc
(print legibly)

Witness
Signature: _____

Registrant
Signature: 
If not an individual, signature of signing officer

Witness Address:

(Street)

(City, Province, Postal Code)

Signing Officer LU SHEIL
Name: _____
(print legibly)
I have authority to bind the entity.

TARION WARRANTY CORPORATION

Per:

Name: Kevin Brodie
Title: Deputy Registrar

Recommended Covenants Between a Registered Vendor and Registered Builder

Paragraph 2.5 of the Vendor Agreement requires a Vendor which does not build homes in the ordinary course of its business to retain a Registered Builder. Tarion advises Registered Vendors to ensure the following covenants are included in their contracts with Registered Builders:

- an agreement (covenant) by the Registered Builder to diligently perform all work required to fulfill every obligation of a "builder" under the Act, the Regulations and the bulletins in respect of each home intended to be constructed by such party.
- an agreement (covenant) by the Registered Builder to indemnify Tarion against all losses, claims, costs, damages and/or liabilities suffered or incurred by Tarion resulting from (or arising out of) any non-performance or non-fulfillment of such party's obligations.



Dear Prospective Guarantor:

Re: Guarantee and Indemnity

We understand you have agreed to guarantee the obligations of the Applicant.

Before signing the attached Guarantee and Indemnity, we recommend that you read it carefully and review it with your legal counsel.

The Guarantee and Indemnity sets out your obligations and you should familiarize yourself with the terms of the attached Guarantee and Indemnity.

The Guarantee and Indemnity is a binding contract between you and Tarion. By signing the Guarantee and Indemnity you agree in your personal capacity (or corporately if the Guarantee and Indemnity is from a corporation) to:

- guarantee indefinitely the payment and performance of the Applicant's obligations to Tarion which may arise during the full warranty period (7 years) of each home commenced by the Applicant. You will continue to be liable unless and until the Guarantee and Indemnity is terminated in accordance with its termination provisions; and
- indemnify Tarion for all costs, claims, losses, damages and liabilities that may arise as a result of the Applicant failing to pay or perform its obligations to Tarion for all homes commenced – agree to sell or build, or sold or built, - by the Applicant.

Please ensure you follow the attached instructions when completing the Guarantee and Indemnity and keep a copy of it for your records. Please return the signed and initialed Guarantee and Indemnity to Tarion by mail, by courier, by electronic applicant such as ESign, or true signed copy scanned and sent by email.

Neither this letter nor the instructions form part of, nor do they alter the terms of, the Guarantee and Indemnity.

As a guarantor you must provide an updated Personal Net Worth Statement to Tarion upon request, along with supporting material. For corporate guarantors, Tarion requires externally prepared reviewed financial statements.

If you have any questions or concerns, please contact Tarion's Underwriting department at 1-877-696-6497 ext. 3001 or go to the Contact Us link at www.tarion.com.

Regards,

Tarion Underwriting

CHECKLIST for Completing the Guarantee and Indemnity

NOTE: The Guarantee and Indemnity must be accurately completed according to these instructions. **No changes, deletions, corrections** (e.g. use of white out, items crossed off) are permitted on the Guarantee and Indemnity. This will result in the Guarantee and Indemnity being returned, resulting in a **delay** or **possible refusal** of the Applicant's request for QFE Confirmation or Enrolment Confirmation as the case may be.

Please ensure the following blank fields are completed before returning it to Tarion:

- Page 1** – Insert the **full legal name of the Guarantor**, whether it is an individual, corporation or other legal entity (e.g. if your full legal name is John Michael Smith, it **must** be written exactly this way on both pages 1 and 15).
- Page 1** – Insert the current **complete mailing address**, phone number and email address of the Guarantor, whether it is an individual, corporation, or other legal entity.
- Page 1** – Insert the **full name of the Applicant** for whom the Guarantee and Indemnity is being provided. The Applicant name inserted must match the name of the Applicant in Tarion's records (e.g., Michael R. Smith is **not** the same as Mike Smith, and Acme Homes (Brampton) Inc. is **not** the same as Acme Homes Inc.).
- Page 14** – Insert the **date the Guarantee and Indemnity is signed** (e.g. **1st** day of February, 2021).
- Page 14** – Print the **full legal name of the Guarantor**. Your name must read exactly the same as the Guarantor name printed on page 1.
- Page 14** – Provide the **signature of the Guarantor or authorized signing officer(s)**. If the Guarantor is a corporation or other legal entity, **print the name** of the authorized signing officer(s) above "Name of Signatory". Otherwise, if the guarantor is a person, leave it blank.

If you have any questions about the Guarantee and Indemnity or how to complete it, please contact Tarion at 1-877-696-6497 ext. 3001 or go to the Contact Us link at www.tarion.com.

GUARANTEE AND INDEMNITY

THIS GUARANTEE AND INDEMNITY is made

BY:

Name: Lu Shen (print legibly)
(the "**Guarantor**")

Address: 2 Sunrise Ridge Trail, Stouffville, ON L4A 0C9 (print legibly)

Telephone Number: 416-666-4168 (print legibly)

Email Address: wilson@triumphantgroup.ca (print legibly)

FOR APPLICANT: Triumph Development HK Bradford Twin Regency Inc. (print legibly)
(*print Vendor/Builder name*)
(the "**Applicant**")

IN FAVOUR OF:

TARION WARRANTY CORPORATION
(**"Tarion"**)

5160 Yonge Street, 12th Floor
Toronto, ON M2N 6L9

RECITALS:

- A. Tarion is a private, non-profit corporation designated by the Lieutenant Governor in Council to administer the *Ontario New Home Warranties Plan Act*.
- B. The Applicant has applied to Tarion for a confirmation that one or more homes is qualified to be enrolled in the Ontario New Home Warranties and Protection Plan or for enrolment of one or more homes in the Plan.
- C. The Guarantor has executed this Guarantee and Indemnity Agreement in order to better secure the due performance and fulfillment of all obligations and liabilities of the Applicant to Tarion, statutory, contractual or otherwise relating to certain homes - referred to as Guaranteed Homes.

NOW THEREFORE in consideration of the sum of \$1.00, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor agrees with Tarion as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

Terms used and not otherwise defined in this Agreement shall have the meanings ascribed to them in the ONHWP Act. In this Agreement, in addition to the definitions set out in the recitals hereto:

- 1.1.1 "**this Agreement**", "**hereto**", "**herein**", "**hereof**", "**hereby**", "**hereunder**" and any similar expressions refer to this Guarantee and Indemnity as it may be supplemented, amended or restated from time to time, and not to any particular Article, Section or other portion hereof;

1.1.2 **“Applicant”** means the Applicant noted on page 1 including any successors or assigns (such designation shall not be affected by the person’s licence status under the NHCL Act

1.1.3 **“Claim”** has the meaning ascribed to such term in section 3.1;

1.1.4 **“Commenced”** means in respect of a “home” where the Applicant is a: “vendor” (including homes it offers to sell, agrees to sell or sells); or “builder” (including homes it offers to build, agrees to build or builds). For clarity, **“Homes Commenced”** will include any homes Commenced by or on behalf of the Applicant regardless of whether the Applicant is at the time licensed with HCRA or has received all necessary QFE Confirmations or Enrolment Confirmations;

1.1.5 **“Commencement Date”** means the date this Agreement is signed on the signing page or, if this Agreement replaces a current Indemnity, then the date set out here:

1.1.6 **“Condominium Project”** has the meaning ascribed to such term in Regulation 892 of the ONHWP Act;

1.1.7 **“Enrolment Confirmation”** means a written confirmation that a home is enrolled under the Plan as provided for under subsection 10.3 (8) of the ONHWP Act;

1.1.8 **“Guaranteed Obligations”** means all of the obligations, liabilities and indebtedness of the Applicant to Tarion from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency: (i) which are VB Obligations; and (ii) otherwise, in respect of any Guaranteed Homes and until the obligations are terminated pursuant Sections 9.2 or 9.3.

1.1.9 **“HCRA”** means the regulatory authority known as the Home Construction Regulatory Authority;

1.1.10 **“Guaranteed Homes”** means any and all Homes Commenced from and after the Commencement Date until the Termination Date, including appurtenant common elements in Condominium Projects;

1.1.11 **“Indemnifiable Circumstance”** has the meaning ascribed to such term in Section 2.2;

1.1.12 **“Indemnified Amounts”** means the amounts to be paid by the Guarantor under Section 2.2;

1.1.13 **“Maximum Liability Amount”** means the aggregate of the amounts at a given time calculated as follows:

A. \$20,000 x the number of Guaranteed Homes;

plus

B. For the common elements of each Condominium Project pertaining to Homes Commenced by the Applicant during the period after the Commencement Date and up until the Termination Date (or parts thereof), the lesser of \$20,000 x the number of units in the Condominium Project and \$1,000,000;

less

C. Any amounts paid by the Guarantor to Tarion in satisfaction or reduction of the Guaranteed Obligations and/or Indemnified Amounts;

1.1.14 **“NHCL Act”** means the *New Home Construction Licensing Act, 2017* and regulations thereunder, as amended from time to time;

1.1.15 **“ONHWP Act”** means the *Ontario New Home Warranties Plan Act* and regulations thereunder, as amended from time to time;

1.1.16 **“QFE Confirmation”** means a written confirmation from Tarion under subsection 10.3(7) of the ONHWP Act that a home qualifies for enrolment;

1.1.17 **“Proceedings”** means any receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature;

1.1.18 **“Termination Date”** means either: (i) the date specified by Tarion in writing in accordance with section 9.2 after which new Guaranteed Obligations will not arise in respect of homes Commenced thereafter; or (ii) the date specified in a validly prepared and delivered Termination Notice in accordance with sections 9.3;

1.1.19 **“VB Obligations”** means any and all obligations, liabilities and indebtedness of a vendor and/or builder to Tarion under the ONHWP Act, any agreement with Tarion, Registrar Bulletins, Registrar Advisories or otherwise, including without limitation, all amounts Tarion pays out to resolve a vendor or builder’s warranty or other protection obligations, as well as statutory administration fees and interest (whether or not actually incurred) and other third party costs including legal fees on a substantial indemnity basis in enforcing this Agreement.

1.2 Additional Definitions

1.2.1 In this Agreement, unless the contrary intention appears, a reference to:

1.2.1.1 an “amendment” includes an amendment, supplement, novation, re-enactment, replacement, restatement or variation and “amend” will be construed accordingly;

1.2.1.2 any person includes its successors and assigns, replacements, transferees and substitutes from time to time; and

1.2.1.3 any document includes (without prejudice to any prohibition on amendments) all amendments (however fundamental) to that document, including any amendment providing for any increase (however great) in the amount or the provision of any facility.

1.3 Headings

The inclusion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 References to Articles and Sections

Whenever in this Agreement a particular Article, section or other portion thereof is referred to, such reference pertains to the particular Article, section or portion thereof contained herein, unless otherwise indicated.

1.5 References to Agreements and Enactments

Except as otherwise specifically provided:

1.5.1 reference in this Agreement to any contract, agreement or any other document shall be deemed to include (i) reference to the same as supplemented, amended or restated from time to time and (ii) reference to any contract, agreement or any other document which substitutes, in whole or in part, for the same from time to time; and

1.5.2 reference in this Agreement to any enactment, including, without limitation, any statute, law, by-law, regulation, rule, ordinance or order, shall be deemed to include reference to such enactment as re-enacted or amended from time to time and to any enactment in substitution therefor.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian currency.

1.7 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.8 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect.

1.9 No Conditions Precedent

This Agreement is effective upon execution and delivery of this Agreement by the Guarantor.

1.10 Amendment, Waiver

No amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.11 Governing Law, Attornment

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

ARTICLE 2 **GUARANTEE AND INDEMNITY**

2.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees the due payment and performance of all Guaranteed Obligations subject to section 2.6.

2.2 Indemnity

The Guarantor shall indemnify and save Tarion harmless from and against any losses, costs, claims, damages and/or liabilities which may arise resulting from or by virtue of:

2.2.1 any of the Guaranteed Obligations being or becoming for any reason whatsoever in whole or in part: (i) void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by Tarion in accordance with its terms; or (ii) released or discharged by operation of law; or

2.2.2 the failure of the Applicant to perform or fulfill any of the Guaranteed Obligations; or

2.2.3 the payment or satisfaction by Tarion in whole or in part of any claim asserted by any party pursuant to the ONHWP Act in respect of or otherwise related in any manner to any Home Commenced by or on behalf of the Applicant;

(all of the foregoing collectively, an “**Indemnifiable Circumstance**”).

This indemnity shall extend to all amounts paid by Tarion in its sole judgment to resolve any claim(s) made against it under the ONHWP Act in respect of the Applicant, subject to section 2.6.

For greater certainty, these losses shall include without limitation the amount of all Guaranteed Obligations which would have been payable by the Applicant but for the existence of an Indemnifiable Circumstance.

2.3 Guarantor Liable as Principal

The Guarantor shall be liable to Tarion as principal obligor and not as surety only and will not plead or assert to the contrary in any action taken by Tarion in enforcing this Agreement.

2.4 Continuing Guarantee and Indemnity

The guarantee and indemnity herein shall be a continuing guarantee of the payment and performance of all the Guaranteed Obligations and a continuing indemnity for the payment of all Indemnified Amounts and shall apply to and secure any ultimate balance thereof due or remaining unpaid to Tarion. The guarantee and indemnity herein shall not be considered as wholly or partially satisfied by the intermediate payment or satisfaction at any time of all or any part of the Guaranteed Obligations or Indemnified Amounts. All payments received by Tarion from the Applicant or any other person shall be applied as payments in gross without any right on the part of the Guarantor to claim the benefit of any such payments until payment in full of all Guaranteed Obligations and Indemnified Amounts.

2.5 Reinstatement

The guarantee and indemnity herein shall be reinstated if at any time any payment of any Guaranteed Obligations or Indemnified Amounts is rescinded or must otherwise be returned by Tarion upon any Proceedings of or affecting the Applicant or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. Tarion may concede or compromise any claim that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 2.5.

2.6 Maximum Liability Amount

The maximum amount that the Guarantor shall be required to pay to Tarion in respect of the Guaranteed Obligations and Indemnified Amounts in the aggregate for all Claims hereunder is limited to the Maximum Liability Amount. For clarity, although the Maximum Liability Amount is calculated by reference to number of Guaranteed Homes and units, the Maximum Liability Amount is an aggregate cap and does not restrict or limit liability for Guaranteed Obligations or Indemnified Amounts in respect of individual Guaranteed Homes, units or Condominium Projects. Liability cap amounts not used for one Guaranteed Home or Condominium Project are available for other Guaranteed Homes and Condominium Projects under this Indemnity.

ARTICLE 3 ENFORCEMENT

3.1 Demand

Upon the occurrence and during the continuance of an event giving rise to a guarantee or indemnity claim under Sections 2.1 or 2.2 above (a “Claim”), the Guarantor shall, on demand being made by Tarion forthwith pay to Tarion or perform or cause the performance of, all Guaranteed Obligations for which such demand was made. All Indemnified Amounts shall be payable by the Guarantor to Tarion, forthwith upon demand being made by Tarion.

3.2 Right to Immediate Payment or Performance

Tarion shall not be bound to make any demand on or to seek or exhaust its recourse against the Applicant or any other person or to realize on any security held by it in respect of the Guaranteed Obligations or Indemnified Amounts before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Agreement and the Guarantor hereby renounces all benefits of discussion and division.

3.3 Tarion's Statement

A statement in writing of Tarion as to the amount of the Guaranteed Obligations, the Indemnified Amounts and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

ARTICLE 4 APPROPRIATION AND SET-OFF BY TARIION

4.1 Appropriation

Upon the occurrence and during the continuance of a Claim, Tarion shall be at liberty, without in any way prejudicing or affecting its rights hereunder, to appropriate or to refrain from appropriating any payment made to, or monies received by it, from:

4.1.1 the Applicant or others to any portion of the Guaranteed Obligations; and

4.1.2 the Guarantor to any portion of the Guaranteed Obligations, the Indemnified Amounts, all other amounts payable hereunder and any other obligations, liabilities and indebtedness of the Guarantor to Tarion in connection with the Guaranteed Obligations;

in each case whether then due or to become due, and whether absolute or contingent, and from time to time to revoke or alter any such appropriation, all as Tarion may from time to time in its sole discretion determine.

4.2 Set-Off by Tarion

Tarion may, at any time and from time to time after the occurrence of a Claim that is continuing, without demand or notice of any kind, set off, appropriate and apply any and all security or monies held by Tarion in any capacity, general or special, matured or unmatured, in any currency, held by or for the benefit of the Guarantor and any other indebtedness and liability of Tarion to the Guarantor, matured or unmatured, in any currency, against and on account of the Guarantor's liability hereunder in any currency irrespective of whether or not Tarion has made any demand for payment hereunder or the Guaranteed Obligations are due, in such order of application as Tarion may from time to time elect. If the amounts being set-off are not payable in the same currency, Tarion may convert either amount into the other currency on the day as of which that set-off is being effected, or if that day is not a Business Day then on the Business Day preceding the day as of which that set-off is being effected.

ARTICLE 5 POSTPONEMENT OF DEBTS AND GUARANTOR NOT TO COMPETE

5.1 Postponement of Debts

All liabilities and indebtedness, present and future, absolute or contingent, of the Applicant to the Guarantor following the occurrence of a Claim that is continuing, are postponed to the payment and performance in full of the Guaranteed Obligations, the Indemnified Amounts and all other amounts payable hereunder and all monies received by the Guarantor in respect thereof, following the occurrence of a Claim that is continuing, shall be received in trust for Tarion and forthwith upon receipt shall be paid over to Tarion, the whole without in any way lessening or limiting the liability of the Guarantor under this Agreement. Such postponement is independent of the guarantee and indemnity herein and shall remain in full force and effect until Tarion has received payment and performance in full of all Guaranteed Obligations, all Indemnified Amounts and all other amounts payable

hereunder. For greater certainty, until the occurrence of a Claim that is continuing, the Guarantor may receive any payments contemplated by this Section 5.1.

5.2 Guarantor Not to Compete

The Guarantor shall not:

5.2.1 take any security or payment from the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations;

5.2.2 have a claim in any Proceedings of or affecting the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations that is *pari passu* or senior in right of payment to any claim of Tarion. For greater certainty, the Guarantor may take any action necessary to preserve a claim that is subordinate in right of payment to the claims of Tarion in any such Proceedings, including, without limitation, making any filings that are required to preserve such a claim;

5.2.3 assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any security) against the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations; or

5.2.4 have any right of subrogation to Tarion, or be otherwise entitled to claim the benefit of any security now or hereafter held by Tarion, in respect of the Guaranteed Obligations;

until Tarion has received payment and performance in full of all Guaranteed Obligations, all Indemnified Amounts and all other amounts payable hereunder. Any money, security, or other personal or real property taken or received by the Guarantor in contravention of this Section 5.2 shall be held by the Guarantor in trust for Tarion and shall be delivered or transferred to Tarion on demand.

ARTICLE 6 PROTECTION OF TARION

6.1 Defects in Creation of Guaranteed Obligations

Tarion shall not be concerned to see or enquire into the capacity and powers of the Applicant or, as applicable, its directors, officers, partners, employees, or agents acting or purporting to act on its behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Applicant in favour of Tarion shall be deemed to form part of the Guaranteed Obligations and/or Indemnified Amounts even though the Applicant may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, defectively or informally effected or in excess of the capacity or powers of the Applicant or its directors, officers, partners, employees or agents and notwithstanding that Tarion has specific notice of the capacity and powers of the Applicant or its directors, officers, partners, employees or agents.

6.2 Liability Absolute

The liability of the Guarantor hereunder shall be absolute and unconditional and shall not be discharged, diminished or in any way affected by:

6.2.1 any amalgamation, merger, consolidation or reorganization of the Applicant, the Guarantor, Tarion, or any continuation of the Applicant, the Guarantor, Tarion from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;

6.2.2 any change in the name, business, objects, capital structure, ownership, constating documents, by-laws, resolutions, licence status or licence number of the Applicant, the Guarantor, Tarion, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Applicant, the Guarantor or Tarion becomes the property of any other person;

6.2.3 if applicable, any change in the membership of the Applicant or the Guarantor due to the removal or introduction of one or more partners;

6.2.4 any Proceedings of or affecting the Applicant, the Guarantor, Tarion or any other person and any court orders made or action taken by the Applicant, the Guarantor, Tarion or any other person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in Sections 6.3.1.1 to 6.3.1.9 occurring with or without the consent of Tarion;

6.2.5 the current existence or subsequent occurrence of an Indemnifiable Circumstance;

6.2.6 any defence, counterclaim or right of set-off available to the Applicant;

6.2.7 the fact that the Applicant ceases to be liable for any reason whatsoever to Tarion in respect of all or any part of the Guaranteed Obligations (otherwise than by reason of the payment of those Guaranteed Obligations to Tarion) or the fact that a court determines that the liability of the Applicant to Tarion in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (except in circumstances where payment of those Guaranteed Obligations has been received by Tarion);

6.2.8 by Tarion's actions or omissions, including: non-compliance with any of its agreements, with requirements of the ONHWP Act; or failure to give notice; and/or

6.2.9 any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Applicant or any other person in respect of the Guaranteed Obligations or the liability of the Guarantor hereunder (otherwise than by reason of the payment of those Guaranteed Obligations to Tarion).

6.3 Dealings by Tarion

6.3.1 Tarion may from time to time in its absolute discretion without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

6.3.1.1 make or continue to make any accommodation available to the Applicant constituting or relating to the Guaranteed Obligations;

6.3.1.2 continue to approve QFE Confirmations or Enrolment Confirmations from time to time;

6.3.1.3 permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations or any other agreement relating to any of the foregoing or, in whole or in part, terminate the availability of any agreement relating to, or demand repayment of any Guaranteed Obligations;

6.3.1.4 enforce or take action under or abstain from enforcing or taking action under the ONHWP Act, a vendor or builder agreement or any other agreement;

6.3.1.5 receive, give up, subordinate, release or discharge any security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any security or allow or abstain from allowing Applicant or other persons to deal with all or any part of such undertaking, property and assets;

6.3.1.6 renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Applicant or to any other guarantor or other person liable directly or as surety for all or any part of the Guaranteed Obligations;

6.3.1.7 accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Applicant or any other guarantor or other person liable directly or as surety for all or any part of the Guaranteed Obligations;

6.3.1.8 in whole or in part prove or abstain from proving a claim of Tarion in any Proceedings of or affecting the Applicant; and

6.3.1.9 agree with the Applicant, any other guarantor or any other person liable directly or as surety for all or any part of the Guaranteed Obligations and/or Indemnified Amounts to do anything described in Sections 6.3.1.1 to 6.3.1.8;

whether or not any of the matters described in Sections 6.3.1.1 to 6.3.1.9 above occur alone or in connection with one or more other such matters.

6.3.2 No loss of or in respect of any security or additional covenant relating to the Guaranteed Obligations, the Indemnified Amounts, or any part thereof, whether occasioned through the fault of Tarion or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder. Neither Tarion nor any of its directors, officers, employees or agents, or any receiver or receiver-manager appointed by it or by a court, shall have any liability, whether in tort, contract or otherwise, for any neglect or any act taken or omitted to be taken by Tarion or by any of such other persons (other than its own gross negligence or willful misconduct) in connection with the Guaranteed Obligations and/or Indemnified Amounts or any part thereof, or any security or other covenant relating to the Guaranteed Obligations or any part thereof including without limitation any of the matters described above in this Section 6.3. To the extent permitted by applicable law, the Guarantor waives all rights it may have as surety, whether at law, in equity or otherwise, that are inconsistent with the provisions of this Agreement.

6.4 Waiver of Notice

The Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations or Indemnified Amounts and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 6.1, 6.2 or 6.3 and all other notices whatsoever in respect of the Guaranteed Obligations or Indemnified Amounts except to the extent, if at all, that the *Personal Property Security Act* (Ontario) ("PPSA") or other applicable law requires notice to be given to the Guarantor in connection with any disposition of collateral by or on behalf of Tarion.

ARTICLE 7 GENERAL AGREEMENTS OF GUARANTOR

7.1 General Agreements

7.1.1 The Guarantor acknowledges, consents and agrees:

7.1.1.1 if it is an entity other than a natural person that it shall at all times maintain and preserve its existence as such entity;

7.1.1.2 if it is an entity other than a natural person, that it shall not change its name or change the jurisdiction of its chief executive office or principal place of business (as such terms are used in the PPSA from time to time) without written notice to Tarion at least fifteen (15) days prior to such change;

7.1.1.3 to waive any defence arising by reason of any incapacity, disability and/or lack of power (or any other limitation with respect to the status, capacity or power) of the Guarantor and /or the Applicant (or of the directors, officers, partners or agents of the Guarantor and/or the Applicant, as the case may be), or by reason of any irregularity, defect or informality in the entering into or execution of this Agreement and/or any agreement between Tarion and the Applicant, and hereby further waive(s) any and all other defences that may otherwise be lawfully alleged, pleaded or asserted by the Guarantor in defence of any legal proceedings commenced by Tarion in respect of this Agreement;

7.1.1.4 that the Guarantor shall be and remain bound to perform the obligations and liabilities of the Applicant arising under this Agreement notwithstanding the contents or provisions of any agreement(s) heretofore or hereafter entered into between the Applicant and Tarion, and notwithstanding that any such agreement(s) may be void or voidable as against the Applicant (or the Applicant's trustee in bankruptcy), and notwithstanding that the Guarantor may not have received or reviewed any such agreement;

7.1.1.5 waive any notice of any neglect or failure on the part of the Applicant to perform or fulfill any or all of the Applicant's obligations to Tarion, or to pay any or all of the liabilities incurred or owing by the Applicant to Tarion, and further waives the requirement to be notified of any demand for performance and/or payment made by Tarion against the Applicant;

7.1.1.6 to provide Tarion with any financial information in respect of the Guarantor relevant to this Agreement and authorizes Tarion to procure and utilize, from time to time, credit information in respect of the Guarantor, and agrees that no action, claim or proceeding will be instituted against Tarion in respect of any damages incurred by the Guarantor as a consequence thereof provided such information is not disclosed to any third party, except credit reporting to agencies to whom Tarion owes a duty of disclosure, and except as otherwise required by law; and

7.1.1.7 to provide written notice to Tarion at least ninety (90) days prior to any proposal: (i) to reorganize, amalgamate, merge, consolidate or otherwise enter into any form of business combination with any person; and/or (ii) to liquidate, dissolve or wind up or take any steps or proceedings in connection therewith; in each case, that would materially and adversely affect the Guarantor's financial position as disclosed to Tarion.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties

The Guarantor represents and warrants to Tarion as follows:

8.1.1 the Guarantor has authority to enter into this Agreement;

8.1.2 if the Guarantor is other than a natural person, it has been duly formed and is existing and is otherwise authorized to carry on business under the laws of the Province of Ontario;

8.1.3 this Agreement has been duly executed and delivered for and on behalf of the Guarantor;

8.1.4 this Agreement constitutes a legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with its terms;

8.1.5 the entering into of this Agreement and the performance by the Guarantor of its obligations hereunder does not and will not contravene, breach or result in any default under the constating documents or other organizational documents of the Guarantor (as applicable) or any applicable law;

8.1.6 no authorization, consent or approval of, or filing with or notice to, any person or official body is required in connection with the execution and delivery of this Agreement by the Guarantor or the performance of this Agreement by the Guarantor;

8.1.7 except as disclosed in writing to Tarion, there is no court, administrative, regulatory or similar action (whether civil, quasi-criminal, or criminal), arbitration or other dispute settlement procedure, investigation or enquiry by any official body, or any similar matter or action against or involving the Guarantor, whether in progress or threatened, which, if determined adversely to the Guarantor, would materially adversely affect its ability to perform any of the provisions of this Agreement; and

8.1.8 all materials provided to Tarion in connection with this Guarantee and Indemnity are true and complete.

8.2 Survival of Representations and Warranties

The representations and warranties of the Guarantor set forth in Section 8.1 shall be relied upon by Tarion, as the case may be, and shall continue in full force and effect so long as any Guaranteed Obligations remain outstanding.

ARTICLE 9 **TERM AND TERMINATION**

9.1 Term

This Agreement shall be in full force and effect from and after the Commencement Date and shall remain in full force and effect until terminated in accordance with section 9.2 or 9.3.

9.2 Termination by Tarion

Tarion may by written notice to the Guarantor terminate this Agreement, in whole or in part, in which case the Guarantor, will no longer be obligated for any Guaranteed Obligations or Indemnified Amounts unless otherwise provided in such notice.

9.3 Termination by Guarantor

The Guarantor may, at any time after the second anniversary of the Commencement Date (and not before), provide written notice to Tarion that it wishes to terminate obligations with respect to homes Commenced after the third anniversary of the Commencement Date (a "**Termination Notice**"). Such Termination Notice must be provided at least ten (10) months prior to the expiration of the then current full calendar year after the Commencement Date and delivered in accordance with section 10.8. It is the Guarantor's responsibility to determine as needed when a Termination Notice may be validly delivered and this information will be supplied by Tarion upon written request. If the Termination Notice is received within such timeframe, then Tarion will send a written notice confirming receipt and the Termination Date (as hereinafter defined). Once the Guarantor has received such notice of receipt, the Guarantor will no longer be obligated for any Guaranteed Obligations or Indemnified Amounts in respect of homes Commenced after a date properly set out in a valid Tarion's written notice (the "**Termination Date**"). For greater certainty, the Guarantor will continue to be obligated for all Guaranteed Obligations and Indemnified Amounts and other obligations whatsoever made in respect of any Guaranteed Homes Commenced prior to the Termination Date.

ARTICLE 10 **MISCELLANEOUS**

10.1 Payment of Costs and Expenses

The Guarantor shall pay to Tarion on demand all reasonable costs and expenses of Tarion, its officers, employees and agents and any receiver or receiver-manager appointed by it or by a court in connection with this Agreement, including, without limitation:

10.1.1 any actual or proposed amendment or modification hereof or any waiver hereunder and all instruments supplemental or ancillary thereto;

10.1.2 obtaining advice as to Tarion's rights and responsibilities under this Agreement; and

10.1.3 the defence, establishment, protection or enforcement of any of the rights or remedies of Tarion under this Agreement including, without limitation, all costs and expenses of establishing the validity and enforceability of, or of collection of amounts owing under this Agreement;

and further including, without limitation, all of the reasonable fees, expenses and disbursements of Tarion's lawyers, on a solicitor and his own client basis, incurred in connection therewith and all sales or value-added taxes payable by Tarion (whether refundable or not) on all such costs and expenses.

10.2 No Set-off By Guarantor

All amounts payable by the Guarantor under this Agreement shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which case the Guarantor shall pay to Tarion such additional amount as shall be necessary to ensure that Tarion receives the full amount it would have received if no such deduction or withholding had been made.

10.3 No Waiver

No delay on the part of Tarion in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by Tarion of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of Tarion permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Agreement.

10.4 Additional Security

This Agreement shall be in addition to, shall not in any way be prejudiced by, and shall not prejudice: (i) any other security now or hereafter held by Tarion; and (ii) the endorsement by the Guarantor of any notes or other documents, and Tarion's rights under this Agreement shall not be merged in any such other security or endorsement.

10.5 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

10.6 Entire Agreement

This Agreement cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between Tarion and the Guarantor with respect to the subject matter hereof except as expressly set forth herein.

10.7 Successors and Assigns

This Agreement shall be binding on the Guarantor and its successors and shall enure to the benefit of Tarion and its successors and assigns. This Agreement shall be assignable by Tarion free of any set-off, counterclaim or equities between the Guarantor and Tarion, and the Guarantor shall not assert against an assignee of Tarion any claim or defence that the Guarantor has against Tarion. The Guarantor may not assign its obligations under this Agreement.

10.8 Notices

All notices and other communications under this Agreement are to be in writing; are to be delivered by hand, by courier, or by registered mail; will be deemed to have been received on the business day following the date of delivery; and are to be addressed in the case of either party to the address as set forth above. Subject to paragraph 7.1.1.2, each party may establish a new address from time to time by written notice to the other given in accordance with this section provided however, that no such change of address will be effective until written notice thereof is actually received by the party to whom such change of address is sent.

10.9 Further Assurances

The Guarantor must at its own expense from time to time do, execute and deliver, or cause to be done, executed and delivered, all such financing statements, further assignments, documents, acts, matters and things as may be reasonably requested by Tarion for the purpose of giving effect to this Agreement or for the purpose of establishing compliance with the representations, warranties and covenants herein contained.

10.10 Electronic Signing and Delivery

This document may be executed by any of the parties in an electronic format, by way of an electronic signature in accordance with the provisions of the *Electronic Commerce Act, 2000*, S.O. 2000, as amended, including an electronic signature manifested or undertaken by or through DocuSign, E-Sign or other electronic signing platform or application, on the express understanding and agreement that: (a) as and when this document is so executed by way of an electronic signature, it shall thereupon be deemed to be valid, binding and enforceable upon the party or parties so executing the document electronically; and (b) if and when any of the parties execute this document by or through an electronic signing format or application, then such party or parties shall be obliged to forthwith provide the other party or parties with a certificate of completion produced or issued by the signing platform or application or any similar certificate issued by other secure electronic platform or application which confirms, verifies and/or validates the electronic signature of the party or parties so executing this document electronically. A photocopy or a scanned and e-mail copy of this executed document may be relied upon (and correspondingly enforced) to the same extent as if it were an original hard copy executed version.

10.11 Electronic Delivery

Delivery of the executed Agreement by facsimile transmission or other electronic medium shall be as effective as delivery of a manually executed copy of this Agreement. Despite the forgoing, upon written request to the Guarantor from Tarion, the Guarantor shall deliver, to Tarion, an original executed copy of the Agreement.

10.12 Executed Copy

The Guarantor acknowledges receipt of a fully executed copy of this Agreement.

10.13 No Liability

Under no circumstances whatsoever shall Tarion: (i) be under any obligation to expend or risk its own funds in the fulfillment of any duties hereunder; (ii) be liable in connection with the performance of any such duties hereunder except for its own gross negligence or willful misconduct; or (iii) be liable for any acts or omissions in connection with the administration of the ONHWP Act.

ARTICLE 11

UNDERSTANDING OF OBLIGATIONS

11.1 Independent Legal Advice

The Guarantor acknowledges having received independent legal advice with respect to this Agreement or having expressly chosen not to do so.

11.2 Review of Materials

The Guarantor acknowledges and confirms that the Guarantor and its legal counsel have been given an opportunity by Tarion to review the ONHWP Act and the Registrar Bulletins issued by Tarion to the date hereof (as well as any agreement(s) between the Applicant and Tarion in existence as of the date hereof).

11.3 Review and Understand the Agreement

The Guarantor acknowledges and confirms having read and understood the terms and provisions hereof before having executed this Agreement.

IN WITNESS WHEREOF the Guarantor has duly executed this Agreement this 4th day of February, 2021

Guarantor Name: Lu Shen
(print legibly)

Guarantor Signature: [Handwritten Signature]
if not an individual, signature of signing officer.

Lu Shen
Name of Signatory (print legibly)

I have authority to bind the entity.

This is the signing page for the Guarantee and Indemnity given by the above-noted Guarantor in favour of Taron Warranty Corporation and in respect of the obligations of the Applicant (Vendor/Builder) noted on page 1 of this Agreement.



Dear Prospective Guarantor:

Re: Guarantee and Indemnity

We understand you have agreed to guarantee the obligations of the Applicant.

Before signing the attached Guarantee and Indemnity, we recommend that you read it carefully and review it with your legal counsel.

The Guarantee and Indemnity sets out your obligations and you should familiarize yourself with the terms of the attached Guarantee and Indemnity.

The Guarantee and Indemnity is a binding contract between you and Tarion. By signing the Guarantee and Indemnity you agree in your personal capacity (or corporately if the Guarantee and Indemnity is from a corporation) to:

- guarantee indefinitely the payment and performance of the Applicant's obligations to Tarion which may arise during the full warranty period (7 years) of each home commenced by the Applicant. You will continue to be liable unless and until the Guarantee and Indemnity is terminated in accordance with its termination provisions; and
- indemnify Tarion for all costs, claims, losses, damages and liabilities that may arise as a result of the Applicant failing to pay or perform its obligations to Tarion for all homes commenced – agree to sell or build, or sold or built, - by the Applicant.

Please ensure you follow the attached instructions when completing the Guarantee and Indemnity and keep a copy of it for your records. Please return the signed and initialed Guarantee and Indemnity to Tarion by mail, by courier, by electronic applicant such as ESign, or true signed copy scanned and sent by email.

Neither this letter nor the instructions form part of, nor do they alter the terms of, the Guarantee and Indemnity.

As a guarantor you must provide an updated Personal Net Worth Statement to Tarion upon request, along with supporting material. For corporate guarantors, Tarion requires externally prepared reviewed financial statements.

If you have any questions or concerns, please contact Tarion's Underwriting department at 1-877-696-6497 ext. 3001 or go to the Contact Us link at www.tarion.com.

Regards,

Tarion Underwriting

CHECKLIST for Completing the Guarantee and Indemnity

NOTE: The Guarantee and Indemnity must be accurately completed according to these instructions. **No changes, deletions, corrections** (e.g. use of white out, items crossed off) are permitted on the Guarantee and Indemnity. This will result in the Guarantee and Indemnity being returned, resulting in a **delay** or **possible refusal** of the Applicant's request for QFE Confirmation or Enrolment Confirmation as the case may be.

Please ensure the following blank fields are completed before returning it to Tarion:

- Page 1** – Insert the **full legal name of the Guarantor**, whether it is an individual, corporation or other legal entity (e.g. if your full legal name is John Michael Smith, it **must** be written exactly this way on both pages 1 and 15).
- Page 1** – Insert the current **complete mailing address**, phone number and email address of the Guarantor, whether it is an individual, corporation, or other legal entity.
- Page 1** – Insert the **full name of the Applicant** for whom the Guarantee and Indemnity is being provided. The Applicant name inserted must match the name of the Applicant in Tarion's records (e.g., Michael R. Smith is **not** the same as Mike Smith, and Acme Homes (Brampton) Inc. is **not** the same as Acme Homes Inc.).
- Page 14** – Insert the **date the Guarantee and Indemnity is signed** (e.g. 1st day of February, 2021).
- Page 14** – Print the **full legal name of the Guarantor**. Your name must read exactly the same as the Guarantor name printed on page 1.
- Page 14** – Provide the **signature of the Guarantor or authorized signing officer(s)**. If the Guarantor is a corporation or other legal entity, **print the name** of the authorized signing officer(s) above "Name of Signatory". Otherwise, if the guarantor is a person, leave it blank.

If you have any questions about the Guarantee and Indemnity or how to complete it, please contact Tarion at 1-877-696-6497 ext. 3001 or go to the Contact Us link at www.tarion.com.

1.1.2 **“Applicant”** means the Applicant noted on page 1 including any successors or assigns (such designation shall not be affected by the person’s licence status under the NHCL Act

1.1.3 **“Claim”** has the meaning ascribed to such term in section 3.1;

1.1.4 **“Commenced”** means in respect of a “home” where the Applicant is a: “vendor” (including homes it offers to sell, agrees to sell or sells); or “builder” (including homes it offers to build, agrees to build or builds). For clarity, **“Homes Commenced”** will include any homes Commenced by or on behalf of the Applicant regardless of whether the Applicant is at the time licensed with HCRA or has received all necessary QFE Confirmations or Enrolment Confirmations;

1.1.5 **“Commencement Date”** means the date this Agreement is signed on the signing page or, if this Agreement replaces a current Indemnity, then the date set out here:

1.1.6 **“Condominium Project”** has the meaning ascribed to such term in Regulation 892 of the ONHWP Act;

1.1.7 **“Enrolment Confirmation”** means a written confirmation that a home is enrolled under the Plan as provided for under subsection 10.3 (8) of the ONHWP Act;

1.1.8 **“Guaranteed Obligations”** means all of the obligations, liabilities and indebtedness of the Applicant to Tarion from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency: (i) which are VB Obligations; and (ii) otherwise, in respect of any Guaranteed Homes and until the obligations are terminated pursuant Sections 9.2 or 9.3.

1.1.9 **“HCRA”** means the regulatory authority known as the Home Construction Regulatory Authority;

1.1.10 **“Guaranteed Homes”** means any and all Homes Commenced from and after the Commencement Date until the Termination Date, including appurtenant common elements in Condominium Projects;

1.1.11 **“Indemnifiable Circumstance”** has the meaning ascribed to such term in Section 2.2;

1.1.12 **“Indemnified Amounts”** means the amounts to be paid by the Guarantor under Section 2.2;

1.1.13 **“Maximum Liability Amount”** means the aggregate of the amounts at a given time calculated as follows:

A. \$20,000 x the number of Guaranteed Homes;

plus

B. For the common elements of each Condominium Project pertaining to Homes Commenced by the Applicant during the period after the Commencement Date and up until the Termination Date (or parts thereof), the lesser of \$20,000 x the number of units in the Condominium Project and \$1,000,000;

less

C. Any amounts paid by the Guarantor to Tarion in satisfaction or reduction of the Guaranteed Obligations and/or Indemnified Amounts;

1.1.14 **“NHCL Act”** means the *New Home Construction Licensing Act, 2017* and regulations thereunder, as amended from time to time;

1.1.15 **“ONHWP Act”** means the *Ontario New Home Warranties Plan Act* and regulations thereunder, as amended from time to time;

1.1.16 **“QFE Confirmation”** means a written confirmation from Tarion under subsection 10.3(7) of the ONHWP Act that a home qualifies for enrolment;

1.1.17 **“Proceedings”** means any receivership, insolvency, proposal, bankruptcy, compromise, arrangement, reorganization, winding-up, dissolution or other similar proceedings, whether or not any of the foregoing is judicial in nature;

1.1.18 **“Termination Date”** means either: (i) the date specified by Tarion in writing in accordance with section 9.2 after which new Guaranteed Obligations will not arise in respect of homes Commenced thereafter; or (ii) the date specified in a validly prepared and delivered Termination Notice in accordance with sections 9.3;

1.1.19 **“VB Obligations”** means any and all obligations, liabilities and indebtedness of a vendor and/or builder to Tarion under the ONHWP Act, any agreement with Tarion, Registrar Bulletins, Registrar Advisories or otherwise, including without limitation, all amounts Tarion pays out to resolve a vendor or builder’s warranty or other protection obligations, as well as statutory administration fees and interest (whether or not actually incurred) and other third party costs including legal fees on a substantial indemnity basis in enforcing this Agreement.

1.2 Additional Definitions

1.2.1 In this Agreement, unless the contrary intention appears, a reference to:

1.2.1.1 an “amendment” includes an amendment, supplement, novation, re-enactment, replacement, restatement or variation and “amend” will be construed accordingly;

1.2.1.2 any person includes its successors and assigns, replacements, transferees and substitutes from time to time; and

1.2.1.3 any document includes (without prejudice to any prohibition on amendments) all amendments (however fundamental) to that document, including any amendment providing for any increase (however great) in the amount or the provision of any facility.

1.3 Headings

The inclusion of headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 References to Articles and Sections

Whenever in this Agreement a particular Article, section or other portion thereof is referred to, such reference pertains to the particular Article, section or portion thereof contained herein, unless otherwise indicated.

1.5 References to Agreements and Enactments

Except as otherwise specifically provided:

1.5.1 reference in this Agreement to any contract, agreement or any other document shall be deemed to include (i) reference to the same as supplemented, amended or restated from time to time and (ii) reference to any contract, agreement or any other document which substitutes, in whole or in part, for the same from time to time; and

1.5.2 reference in this Agreement to any enactment, including, without limitation, any statute, law, by-law, regulation, rule, ordinance or order, shall be deemed to include reference to such enactment as re-enacted or amended from time to time and to any enactment in substitution therefor.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian currency.

1.7 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.8 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect.

1.9 No Conditions Precedent

This Agreement is effective upon execution and delivery of this Agreement by the Guarantor.

1.10 Amendment, Waiver

No amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.11 Governing Law, Attornment

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the Guarantor hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

ARTICLE 2 **GUARANTEE AND INDEMNITY**

2.1 Guarantee

The Guarantor unconditionally and irrevocably guarantees the due payment and performance of all Guaranteed Obligations subject to section 2.6.

2.2 Indemnity

The Guarantor shall indemnify and save Tarion harmless from and against any losses, costs, claims, damages and/or liabilities which may arise resulting from or by virtue of:

2.2.1 any of the Guaranteed Obligations being or becoming for any reason whatsoever in whole or in part: (i) void, voidable, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable by Tarion in accordance with its terms; or (ii) released or discharged by operation of law; or

2.2.2 the failure of the Applicant to perform or fulfill any of the Guaranteed Obligations; or

2.2.3 the payment or satisfaction by Tarion in whole or in part of any claim asserted by any party pursuant to the ONHWP Act in respect of or otherwise related in any manner to any Home Commenced by or on behalf of the Applicant;

(all of the foregoing collectively, an “**Indemnifiable Circumstance**”).

This indemnity shall extend to all amounts paid by Tarion in its sole judgment to resolve any claim(s) made against it under the ONHWP Act in respect of the Applicant, subject to section 2.6.

For greater certainty, these losses shall include without limitation the amount of all Guaranteed Obligations which would have been payable by the Applicant but for the existence of an Indemnifiable Circumstance.

2.3 Guarantor Liable as Principal

The Guarantor shall be liable to Tarion as principal obligor and not as surety only and will not plead or assert to the contrary in any action taken by Tarion in enforcing this Agreement.

2.4 Continuing Guarantee and Indemnity

The guarantee and indemnity herein shall be a continuing guarantee of the payment and performance of all the Guaranteed Obligations and a continuing indemnity for the payment of all Indemnified Amounts and shall apply to and secure any ultimate balance thereof due or remaining unpaid to Tarion. The guarantee and indemnity herein shall not be considered as wholly or partially satisfied by the intermediate payment or satisfaction at any time of all or any part of the Guaranteed Obligations or Indemnified Amounts. All payments received by Tarion from the Applicant or any other person shall be applied as payments in gross without any right on the part of the Guarantor to claim the benefit of any such payments until payment in full of all Guaranteed Obligations and Indemnified Amounts.

2.5 Reinstatement

The guarantee and indemnity herein shall be reinstated if at any time any payment of any Guaranteed Obligations or Indemnified Amounts is rescinded or must otherwise be returned by Tarion upon any Proceedings of or affecting the Applicant or the Guarantor or for any other reason whatsoever, all as though such payment had not been made. Tarion may concede or compromise any claim that such payment ought to be rescinded or otherwise returned, without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder or the effect of this Section 2.5.

2.6 Maximum Liability Amount

The maximum amount that the Guarantor shall be required to pay to Tarion in respect of the Guaranteed Obligations and Indemnified Amounts in the aggregate for all Claims hereunder is limited to the Maximum Liability Amount. For clarity, although the Maximum Liability Amount is calculated by reference to number of Guaranteed Homes and units, the Maximum Liability Amount is an aggregate cap and does not restrict or limit liability for Guaranteed Obligations or Indemnified Amounts in respect of individual Guaranteed Homes, units or Condominium Projects. Liability cap amounts not used for one Guaranteed Home or Condominium Project are available for other Guaranteed Homes and Condominium Projects under this Indemnity.

ARTICLE 3 ENFORCEMENT

3.1 Demand

Upon the occurrence and during the continuance of an event giving rise to a guarantee or indemnity claim under Sections 2.1 or 2.2 above (a “Claim”), the Guarantor shall, on demand being made by Tarion forthwith pay to Tarion or perform or cause the performance of, all Guaranteed Obligations for which such demand was made. All Indemnified Amounts shall be payable by the Guarantor to Tarion, forthwith upon demand being made by Tarion.

3.2 Right to Immediate Payment or Performance

Tarion shall not be bound to make any demand on or to seek or exhaust its recourse against the Applicant or any other person or to realize on any security held by it in respect of the Guaranteed Obligations or Indemnified Amounts before being entitled to demand payment from or performance by the Guarantor and enforce its rights under this Agreement and the Guarantor hereby renounces all benefits of discussion and division.

3.3 Tarion's Statement

A statement in writing of Tarion as to the amount of the Guaranteed Obligations, the Indemnified Amounts and all other amounts payable hereunder shall be binding upon the Guarantor and conclusive against it in the absence of manifest error.

ARTICLE 4 APPROPRIATION AND SET-OFF BY TARIION

4.1 Appropriation

Upon the occurrence and during the continuance of a Claim, Tarion shall be at liberty, without in any way prejudicing or affecting its rights hereunder, to appropriate or to refrain from appropriating any payment made to, or monies received by it, from:

4.1.1 the Applicant or others to any portion of the Guaranteed Obligations; and

4.1.2 the Guarantor to any portion of the Guaranteed Obligations, the Indemnified Amounts, all other amounts payable hereunder and any other obligations, liabilities and indebtedness of the Guarantor to Tarion in connection with the Guaranteed Obligations;

in each case whether then due or to become due, and whether absolute or contingent, and from time to time to revoke or alter any such appropriation, all as Tarion may from time to time in its sole discretion determine.

4.2 Set-Off by Tarion

Tarion may, at any time and from time to time after the occurrence of a Claim that is continuing, without demand or notice of any kind, set off, appropriate and apply any and all security or monies held by Tarion in any capacity, general or special, matured or unmatured, in any currency, held by or for the benefit of the Guarantor and any other indebtedness and liability of Tarion to the Guarantor, matured or unmatured, in any currency, against and on account of the Guarantor's liability hereunder in any currency irrespective of whether or not Tarion has made any demand for payment hereunder or the Guaranteed Obligations are due, in such order of application as Tarion may from time to time elect. If the amounts being set-off are not payable in the same currency, Tarion may convert either amount into the other currency on the day as of which that set-off is being effected, or if that day is not a Business Day then on the Business Day preceding the day as of which that set-off is being effected.

ARTICLE 5 POSTPONEMENT OF DEBTS AND GUARANTOR NOT TO COMPETE

5.1 Postponement of Debts

All liabilities and indebtedness, present and future, absolute or contingent, of the Applicant to the Guarantor following the occurrence of a Claim that is continuing, are postponed to the payment and performance in full of the Guaranteed Obligations, the Indemnified Amounts and all other amounts payable hereunder and all monies received by the Guarantor in respect thereof, following the occurrence of a Claim that is continuing, shall be received in trust for Tarion and forthwith upon receipt shall be paid over to Tarion, the whole without in any way lessening or limiting the liability of the Guarantor under this Agreement. Such postponement is independent of the guarantee and indemnity herein and shall remain in full force and effect until Tarion has received payment and performance in full of all Guaranteed Obligations, all Indemnified Amounts and all other amounts payable

hereunder. For greater certainty, until the occurrence of a Claim that is continuing, the Guarantor may receive any payments contemplated by this Section 5.1.

5.2 Guarantor Not to Compete

The Guarantor shall not:

5.2.1 take any security or payment from the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations;

5.2.2 have a claim in any Proceedings of or affecting the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations that is *pari passu* or senior in right of payment to any claim of Tarion. For greater certainty, the Guarantor may take any action necessary to preserve a claim that is subordinate in right of payment to the claims of Tarion in any such Proceedings, including, without limitation, making any filings that are required to preserve such a claim;

5.2.3 assert any right (including without limitation any right of set-off, right of indemnity or reimbursement or right of contribution, and any right whether or not the right arises under any security) against the Applicant or any other guarantor or person liable directly or as surety for all or any part of the Guaranteed Obligations; or

5.2.4 have any right of subrogation to Tarion, or be otherwise entitled to claim the benefit of any security now or hereafter held by Tarion, in respect of the Guaranteed Obligations;

until Tarion has received payment and performance in full of all Guaranteed Obligations, all Indemnified Amounts and all other amounts payable hereunder. Any money, security, or other personal or real property taken or received by the Guarantor in contravention of this Section 5.2 shall be held by the Guarantor in trust for Tarion and shall be delivered or transferred to Tarion on demand.

ARTICLE 6 PROTECTION OF TARION

6.1 Defects in Creation of Guaranteed Obligations

Tarion shall not be concerned to see or enquire into the capacity and powers of the Applicant or, as applicable, its directors, officers, partners, employees, or agents acting or purporting to act on its behalf. All obligations, liabilities and indebtedness purporting to be incurred by the Applicant in favour of Tarion shall be deemed to form part of the Guaranteed Obligations and/or Indemnified Amounts even though the Applicant may not be a legal entity or the incurring of such obligations, liabilities or indebtedness was irregularly, defectively or informally effected or in excess of the capacity or powers of the Applicant or its directors, officers, partners, employees or agents and notwithstanding that Tarion has specific notice of the capacity and powers of the Applicant or its directors, officers, partners, employees or agents.

6.2 Liability Absolute

The liability of the Guarantor hereunder shall be absolute and unconditional and shall not be discharged, diminished or in any way affected by:

6.2.1 any amalgamation, merger, consolidation or reorganization of the Applicant, the Guarantor, Tarion, or any continuation of the Applicant, the Guarantor, Tarion from the statute under which it now or hereafter exists to another statute whether under the laws of the same jurisdiction or another jurisdiction;

6.2.2 any change in the name, business, objects, capital structure, ownership, constating documents, by-laws, resolutions, licence status or licence number of the Applicant, the Guarantor, Tarion, including without limitation any transaction (whether by way of transfer, sale or otherwise) whereby all or any part of the undertaking, property and assets of the Applicant, the Guarantor or Tarion becomes the property of any other person;

6.2.3 if applicable, any change in the membership of the Applicant or the Guarantor due to the removal or introduction of one or more partners;

6.2.4 any Proceedings of or affecting the Applicant, the Guarantor, Tarion or any other person and any court orders made or action taken by the Applicant, the Guarantor, Tarion or any other person under or in connection with those Proceedings, whether or not those Proceedings or orders or that action results in any of the matters described in Sections 6.3.1.1 to 6.3.1.9 occurring with or without the consent of Tarion;

6.2.5 the current existence or subsequent occurrence of an Indemnifiable Circumstance;

6.2.6 any defence, counterclaim or right of set-off available to the Applicant;

6.2.7 the fact that the Applicant ceases to be liable for any reason whatsoever to Tarion in respect of all or any part of the Guaranteed Obligations (otherwise than by reason of the payment of those Guaranteed Obligations to Tarion) or the fact that a court determines that the liability of the Applicant to Tarion in respect of all or any part of the Guaranteed Obligations has been satisfied or is deemed to have been satisfied (except in circumstances where payment of those Guaranteed Obligations has been received by Tarion);

6.2.8 by Tarion's actions or omissions, including: non-compliance with any of its agreements, with requirements of the ONHWP Act; or failure to give notice; and/or

6.2.9 any other circumstance which might otherwise constitute in whole or in part a defence available to, or a discharge of, the Guarantor, the Applicant or any other person in respect of the Guaranteed Obligations or the liability of the Guarantor hereunder (otherwise than by reason of the payment of those Guaranteed Obligations to Tarion).

6.3 Dealings by Tarion

6.3.1 Tarion may from time to time in its absolute discretion without discharging, diminishing or in any way affecting the liability of the Guarantor hereunder:

6.3.1.1 make or continue to make any accommodation available to the Applicant constituting or relating to the Guaranteed Obligations;

6.3.1.2 continue to approve QFE Confirmations or Enrolment Confirmations from time to time;

6.3.1.3 permit any increase or decrease, however significant, of the Guaranteed Obligations or otherwise supplement, amend, restate or substitute, in whole or in part, however significant, the Guaranteed Obligations or any other agreement relating to any of the foregoing or, in whole or in part, terminate the availability of any agreement relating to, or demand repayment of any Guaranteed Obligations;

6.3.1.4 enforce or take action under or abstain from enforcing or taking action under the ONHWP Act, a vendor or builder agreement or any other agreement;

6.3.1.5 receive, give up, subordinate, release or discharge any security; supplement, amend, restate, substitute, renew, abstain from renewing, perfect or abstain from perfecting or maintaining the perfection of any security; enforce, take action under or realize in any manner or abstain from enforcing, taking action under or realizing any security; deal with or abstain from dealing with all or any part of the undertaking, property and assets covered by any security or allow or abstain from allowing Applicant or other persons to deal with all or any part of such undertaking, property and assets;

6.3.1.6 renew all or any part of the Guaranteed Obligations or grant extensions of time or any other indulgences to the Applicant or to any other guarantor or other person liable directly or as surety for all or any part of the Guaranteed Obligations;

6.3.1.7 accept or make any compositions or arrangements with or release, discharge or otherwise deal with or abstain from dealing with the Applicant or any other guarantor or other person liable directly or as surety for all or any part of the Guaranteed Obligations;

6.3.1.8 in whole or in part prove or abstain from proving a claim of Tarion in any Proceedings of or affecting the Applicant; and

6.3.1.9 agree with the Applicant, any other guarantor or any other person liable directly or as surety for all or any part of the Guaranteed Obligations and/or Indemnified Amounts to do anything described in Sections 6.3.1.1 to 6.3.1.8;

whether or not any of the matters described in Sections 6.3.1.1 to 6.3.1.9 above occur alone or in connection with one or more other such matters.

6.3.2 No loss of or in respect of any security or additional covenant relating to the Guaranteed Obligations, the Indemnified Amounts, or any part thereof, whether occasioned through the fault of Tarion or otherwise, shall discharge, diminish or in any way affect the liability of the Guarantor hereunder. Neither Tarion nor any of its directors, officers, employees or agents, or any receiver or receiver-manager appointed by it or by a court, shall have any liability, whether in tort, contract or otherwise, for any neglect or any act taken or omitted to be taken by Tarion or by any of such other persons (other than its own gross negligence or willful misconduct) in connection with the Guaranteed Obligations and/or Indemnified Amounts or any part thereof, or any security or other covenant relating to the Guaranteed Obligations or any part thereof including without limitation any of the matters described above in this Section 6.3. To the extent permitted by applicable law, the Guarantor waives all rights it may have as surety, whether at law, in equity or otherwise, that are inconsistent with the provisions of this Agreement.

6.4 Waiver of Notice

The Guarantor expressly waives any right to receive notice of the existence or creation of all or any of the Guaranteed Obligations or Indemnified Amounts and presentment, demand, notice of dishonour, protest, notice of any of the events or circumstances described in Sections 6.1, 6.2 or 6.3 and all other notices whatsoever in respect of the Guaranteed Obligations or Indemnified Amounts except to the extent, if at all, that the *Personal Property Security Act* (Ontario) ("PPSA") or other applicable law requires notice to be given to the Guarantor in connection with any disposition of collateral by or on behalf of Tarion.

ARTICLE 7 GENERAL AGREEMENTS OF GUARANTOR

7.1 General Agreements

7.1.1 The Guarantor acknowledges, consents and agrees:

7.1.1.1 if it is an entity other than a natural person that it shall at all times maintain and preserve its existence as such entity;

7.1.1.2 if it is an entity other than a natural person, that it shall not change its name or change the jurisdiction of its chief executive office or principal place of business (as such terms are used in the PPSA from time to time) without written notice to Tarion at least fifteen (15) days prior to such change;

7.1.1.3 to waive any defence arising by reason of any incapacity, disability and/or lack of power (or any other limitation with respect to the status, capacity or power) of the Guarantor and /or the Applicant (or of the directors, officers, partners or agents of the Guarantor and/or the Applicant, as the case may be), or by reason of any irregularity, defect or informality in the entering into or execution of this Agreement and/or any agreement between Tarion and the Applicant, and hereby further waive(s) any and all other defences that may otherwise be lawfully alleged, pleaded or asserted by the Guarantor in defence of any legal proceedings commenced by Tarion in respect of this Agreement;

7.1.1.4 that the Guarantor shall be and remain bound to perform the obligations and liabilities of the Applicant arising under this Agreement notwithstanding the contents or provisions of any agreement(s) heretofore or hereafter entered into between the Applicant and Tarion, and notwithstanding that any such agreement(s) may be void or voidable as against the Applicant (or the Applicant's trustee in bankruptcy), and notwithstanding that the Guarantor may not have received or reviewed any such agreement;

7.1.1.5 waive any notice of any neglect or failure on the part of the Applicant to perform or fulfill any or all of the Applicant's obligations to Tarion, or to pay any or all of the liabilities incurred or owing by the Applicant to Tarion, and further waives the requirement to be notified of any demand for performance and/or payment made by Tarion against the Applicant;

7.1.1.6 to provide Tarion with any financial information in respect of the Guarantor relevant to this Agreement and authorizes Tarion to procure and utilize, from time to time, credit information in respect of the Guarantor, and agrees that no action, claim or proceeding will be instituted against Tarion in respect of any damages incurred by the Guarantor as a consequence thereof provided such information is not disclosed to any third party, except credit reporting to agencies to whom Tarion owes a duty of disclosure, and except as otherwise required by law; and

7.1.1.7 to provide written notice to Tarion at least ninety (90) days prior to any proposal: (i) to reorganize, amalgamate, merge, consolidate or otherwise enter into any form of business combination with any person; and/or (ii) to liquidate, dissolve or wind up or take any steps or proceedings in connection therewith; in each case, that would materially and adversely affect the Guarantor's financial position as disclosed to Tarion.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

8.1 Representations and Warranties

The Guarantor represents and warrants to Tarion as follows:

8.1.1 the Guarantor has authority to enter into this Agreement;

8.1.2 if the Guarantor is other than a natural person, it has been duly formed and is existing and is otherwise authorized to carry on business under the laws of the Province of Ontario;

8.1.3 this Agreement has been duly executed and delivered for and on behalf of the Guarantor;

8.1.4 this Agreement constitutes a legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with its terms;

8.1.5 the entering into of this Agreement and the performance by the Guarantor of its obligations hereunder does not and will not contravene, breach or result in any default under the constating documents or other organizational documents of the Guarantor (as applicable) or any applicable law;

8.1.6 no authorization, consent or approval of, or filing with or notice to, any person or official body is required in connection with the execution and delivery of this Agreement by the Guarantor or the performance of this Agreement by the Guarantor;

8.1.7 except as disclosed in writing to Tarion, there is no court, administrative, regulatory or similar action (whether civil, quasi-criminal, or criminal), arbitration or other dispute settlement procedure, investigation or enquiry by any official body, or any similar matter or action against or involving the Guarantor, whether in progress or threatened, which, if determined adversely to the Guarantor, would materially adversely affect its ability to perform any of the provisions of this Agreement; and

8.1.8 all materials provided to Tarion in connection with this Guarantee and Indemnity are true and complete.

8.2 Survival of Representations and Warranties

The representations and warranties of the Guarantor set forth in Section 8.1 shall be relied upon by Tarion, as the case may be, and shall continue in full force and effect so long as any Guaranteed Obligations remain outstanding.

ARTICLE 9 **TERM AND TERMINATION**

9.1 Term

This Agreement shall be in full force and effect from and after the Commencement Date and shall remain in full force and effect until terminated in accordance with section 9.2 or 9.3.

9.2 Termination by Tarion

Tarion may by written notice to the Guarantor terminate this Agreement, in whole or in part, in which case the Guarantor, will no longer be obligated for any Guaranteed Obligations or Indemnified Amounts unless otherwise provided in such notice.

9.3 Termination by Guarantor

The Guarantor may, at any time after the second anniversary of the Commencement Date (and not before), provide written notice to Tarion that it wishes to terminate obligations with respect to homes Commenced after the third anniversary of the Commencement Date (a "**Termination Notice**"). Such Termination Notice must be provided at least ten (10) months prior to the expiration of the then current full calendar year after the Commencement Date and delivered in accordance with section 10.8. It is the Guarantor's responsibility to determine as needed when a Termination Notice may be validly delivered and this information will be supplied by Tarion upon written request. If the Termination Notice is received within such timeframe, then Tarion will send a written notice confirming receipt and the Termination Date (as hereinafter defined). Once the Guarantor has received such notice of receipt, the Guarantor will no longer be obligated for any Guaranteed Obligations or Indemnified Amounts in respect of homes Commenced after a date properly set out in a valid Tarion's written notice (the "**Termination Date**"). For greater certainty, the Guarantor will continue to be obligated for all Guaranteed Obligations and Indemnified Amounts and other obligations whatsoever made in respect of any Guaranteed Homes Commenced prior to the Termination Date.

ARTICLE 10 **MISCELLANEOUS**

10.1 Payment of Costs and Expenses

The Guarantor shall pay to Tarion on demand all reasonable costs and expenses of Tarion, its officers, employees and agents and any receiver or receiver-manager appointed by it or by a court in connection with this Agreement, including, without limitation:

10.1.1 any actual or proposed amendment or modification hereof or any waiver hereunder and all instruments supplemental or ancillary thereto;

10.1.2 obtaining advice as to Tarion's rights and responsibilities under this Agreement; and

10.1.3 the defence, establishment, protection or enforcement of any of the rights or remedies of Tarion under this Agreement including, without limitation, all costs and expenses of establishing the validity and enforceability of, or of collection of amounts owing under this Agreement;

and further including, without limitation, all of the reasonable fees, expenses and disbursements of Tarion's lawyers, on a solicitor and his own client basis, incurred in connection therewith and all sales or value-added taxes payable by Tarion (whether refundable or not) on all such costs and expenses.

10.2 No Set-off By Guarantor

All amounts payable by the Guarantor under this Agreement shall be paid without set-off or counterclaim and without any deduction or withholding whatsoever unless and to the extent that the Guarantor shall be prohibited by law from doing so, in which case the Guarantor shall pay to Tarion such additional amount as shall be necessary to ensure that Tarion receives the full amount it would have received if no such deduction or withholding had been made.

10.3 No Waiver

No delay on the part of Tarion in the exercise of any right, power or remedy hereunder or otherwise shall operate as a waiver thereof, and no single or partial exercise by Tarion of any right, power or remedy shall preclude other or further exercise thereof or the exercise of any other right, power or remedy. No action of Tarion permitted hereunder shall in any way impair or affect its rights, powers or remedies under this Agreement.

10.4 Additional Security

This Agreement shall be in addition to, shall not in any way be prejudiced by, and shall not prejudice: (i) any other security now or hereafter held by Tarion; and (ii) the endorsement by the Guarantor of any notes or other documents, and Tarion's rights under this Agreement shall not be merged in any such other security or endorsement.

10.5 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

10.6 Entire Agreement

This Agreement cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between Tarion and the Guarantor with respect to the subject matter hereof except as expressly set forth herein.

10.7 Successors and Assigns

This Agreement shall be binding on the Guarantor and its successors and shall enure to the benefit of Tarion and its successors and assigns. This Agreement shall be assignable by Tarion free of any set-off, counterclaim or equities between the Guarantor and Tarion, and the Guarantor shall not assert against an assignee of Tarion any claim or defence that the Guarantor has against Tarion. The Guarantor may not assign its obligations under this Agreement.

10.8 Notices

All notices and other communications under this Agreement are to be in writing; are to be delivered by hand, by courier, or by registered mail; will be deemed to have been received on the business day following the date of delivery; and are to be addressed in the case of either party to the address as set forth above. Subject to paragraph 7.1.1.2, each party may establish a new address from time to time by written notice to the other given in accordance with this section provided however, that no such change of address will be effective until written notice thereof is actually received by the party to whom such change of address is sent.

10.9 Further Assurances

The Guarantor must at its own expense from time to time do, execute and deliver, or cause to be done, executed and delivered, all such financing statements, further assignments, documents, acts, matters and things as may be reasonably requested by Tarion for the purpose of giving effect to this Agreement or for the purpose of establishing compliance with the representations, warranties and covenants herein contained.

10.10 Electronic Signing and Delivery

This document may be executed by any of the parties in an electronic format, by way of an electronic signature in accordance with the provisions of the *Electronic Commerce Act, 2000*, S.O. 2000, as amended, including an electronic signature manifested or undertaken by or through DocuSign, E-Sign or other electronic signing platform or application, on the express understanding and agreement that: (a) as and when this document is so executed by way of an electronic signature, it shall thereupon be deemed to be valid, binding and enforceable upon the party or parties so executing the document electronically; and (b) if and when any of the parties execute this document by or through an electronic signing format or application, then such party or parties shall be obliged to forthwith provide the other party or parties with a certificate of completion produced or issued by the signing platform or application or any similar certificate issued by other secure electronic platform or application which confirms, verifies and/or validates the electronic signature of the party or parties so executing this document electronically. A photocopy or a scanned and e-mail copy of this executed document may be relied upon (and correspondingly enforced) to the same extent as if it were an original hard copy executed version.

10.11 Electronic Delivery

Delivery of the executed Agreement by facsimile transmission or other electronic medium shall be as effective as delivery of a manually executed copy of this Agreement. Despite the forgoing, upon written request to the Guarantor from Tarion, the Guarantor shall deliver, to Tarion, an original executed copy of the Agreement.

10.12 Executed Copy

The Guarantor acknowledges receipt of a fully executed copy of this Agreement.

10.13 No Liability

Under no circumstances whatsoever shall Tarion: (i) be under any obligation to expend or risk its own funds in the fulfillment of any duties hereunder; (ii) be liable in connection with the performance of any such duties hereunder except for its own gross negligence or willful misconduct; or (iii) be liable for any acts or omissions in connection with the administration of the ONHWP Act.

ARTICLE 11

UNDERSTANDING OF OBLIGATIONS

11.1 Independent Legal Advice

The Guarantor acknowledges having received independent legal advice with respect to this Agreement or having expressly chosen not to do so.

11.2 Review of Materials

The Guarantor acknowledges and confirms that the Guarantor and its legal counsel have been given an opportunity by Tarion to review the ONHWP Act and the Registrar Bulletins issued by Tarion to the date hereof (as well as any agreement(s) between the Applicant and Tarion in existence as of the date hereof).

11.3 Review and Understand the Agreement

The Guarantor acknowledges and confirms having read and understood the terms and provisions hereof before having executed this Agreement.

IN WITNESS WHEREOF the Guarantor has duly executed this Agreement this 1st day of Febr 2021

Guarantor Name: Yuecong Wang
(print legibly)

Guarantor Signature: [Handwritten Signature]
If not an individual, signature of signing officer

Yue Rong Wang
Name of Signatory (print legibly)

I have authority to bind the entity

This is the signing page for the Guarantee and Indemnity given by the above-noted Guarantor in favour of Tarion Warranty Corporation and in respect of the obligations of the Applicant (Vendor/Builder) noted on page 1 of this Agreement.

Shen, Lu

Wang, Yuerong

Chen, Jun

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10989274
Canada Ltd.

Triumph
Development
Bradford Ltd.

Canada
Landmark
Industrial Ltd.

Canada
Sunlike Ltd.

1 GP unit

100 Cl. B units

1 GP Unit

100 Cl. A units

Bradford Holding
Limited Partnership

100 Cl A shares

Triumph Development
HK Bradford Twin
Regency Inc.



CTI3C BANK

tiDglegEIRI1

Customer Name: Triumph Development HK Bradford Twin Regency Inc.

Account Number:

Ownership Structure *	
Share Holder Name	Percentage of Ownership
WANG, Yuerong	100%

* As a recommended best practice, please record the detailed percentage of ownership to demonstrate the complete information was collected with respect to beneficial ownership.
 (Not limited to beneficial ownership 25% and above)
 (While we only collect detailed information on shareholders with beneficial ownership 25% and above)

Triumph Development HK Bradford Twin Regency Inc.

REGISTER OF SHAREHOLDERS

Name of Shareholder (Last, First, Second)	Date Became Shareholder	Date Ceased to be Shareholder	Class & Kind Of Shares	Par Value	Considerations Paid to Company
WANG, Yuerong	2017-06-08	2018-09-01	100 Class A	N/A	\$100 (\$100)
Bradford Holding Limited Partnership	2018-09-01		100 Class A	N/A	\$100

Wiseway Global Canada Consulting Ltd.

And

Triumph Development Bradford Limited

Lu Shen

Yuerong Wang

Of

Project Cooperation Contract

(NO. TR20200220A)

Feb 2020

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Yuerong Wang

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List of Appendix

- Appendix I Limited Partnership Agreement
- Appendix II List of pre-sale properties
- Appendix III Pre-sale contract and supplementary agreement
- Appendix IV Development schedule of Twin Regency phase I
Project
- Appendix V Fund usage and payment schedule of Twin Regency
phase I Project
- Appendix VI Third party guarantee
- Appendix VII Power of attorney of legal representative
- Appendix VIII Resolutions of shareholders' meeting / board of
directors
- Appendix IX Identification documents of all parties

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Project cooperation contract

This project cooperation contract is signed by the following parties on February, 2020.

Party A: (Priority Level LP), Wiseway Global Canada Consulting Ltd., is a limited company registered in Canada. Company Registration No.1170939-9

Party B: (Basic Level LP), Triumph Development Bradford limited, is a limited company registered in Canada. Company registration No.1096874-9

Party C: Lu Shen, Chinese ID No. 310101197705052035

Party D: Yuerong Wang, Canadian Passport No.HN422643

(The above entities are individually referred to as a "party" and collectively referred to as the "parties")

Whereas:

A. Bradford Holdings Limited Partnership, a limited partnership incorporated in Canada. Company registration number: 3373951849 (hereinafter referred to as "partnership")

B. Party A and Party B are the partners of the partnership, of which Party A is the priority limited partner (LP) of the partnership and Party B is the basic limited partner (LP) of the partnership.

C. Triumph development HK Bradford Twin Regency Inc., a limited company incorporated in Canada. (company registration number: 1027140-3) (hereinafter referred to as "project company") the partnership is the sole shareholder of the project company.

D. The project company owns the development and construction right of Twin Regency phase I project, and the partnership holds 100% equity of the project company.

E. Party C and Party D are the related parties of the basic LP. In order to guarantee the basic LP to perform all the obligations and liabilities under this contract and its attachments, Party C and Party D agree to register the pre-sale of the property of Twin Regency phase I project with a value of C \$10 million in the name of the project company in the name of priority LP. Meanwhile, Party C and Party D are willing to provide joint guarantee liability to priority LP.

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Based on the principle of equality and mutual benefit and through friendly consultation, the above parties have reached an agreement on relevant cooperation matters and signed this contract.

Article 1 Definition and interpretation

1 Definition

Unless otherwise specified in the contract, the following words have the following meanings in the contract and its attachments (including the preamble)

- (1) Twin Regency phase I Project: it is located in 2362 8th line, Bradford, Ontario, Canada. The plot covers an area of 412208 square feet. Twin Regency phase I is a 6-story apartment with a floor area of about 191929 square feet, with an underground floor area of about 81793 square feet. 227 apartments can be built. (for the target of Twin Regency phase I project, the list described in the document approved by the government shall prevail).
- (2) Twin Regency phase I project property: refers to the saleable residential apartments of Twin Regency phase I project.
- (3) Pre-sale: refers to the property of Twin Regency phase I project registered in the name of priority LP by the project company in accordance with this contract and its attachments. The parties confirm that the total value of the property registered under priority LP for pre-sale of the property is \$10 million.
- (4) Minimum income: refers to the basic level LP commitment. When the priority LP distributes the income in the partnership, if the investment income of the priority LP is less than 20% of the annualized income, the basic level LP will be guaranteed LP must make up the investment income of priority LP; the calculation formula of 20% annualized income: Annualized 20% income = the actual number of days from the date when the investment fund of priority LP is paid to the joint management account of the partnership to the expiration date of the cooperation term \times the investment fund of priority LP \times 20% \times 365 days.
- (5) Term of cooperation: from the date of payment of investment funds to the expiration date of the following dates (in case of any inconsistency in the following deadline, the earlier one shall

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- prevail): 1) The date when all investment funds have been returned to priority LP in full, or 2) June 30, 2023
- (6) Partnership co-managed account: refers to the account set up by the partnership in the bank, which is supervised by the designated person of priority LP. Without the consent of priority LP, the account shall not make any external payment.
 - (7) Co-managed account of the project company: it refers to the account set up by the project company in the bank, which is supervised by the designated person of priority LP, and no external payment is allowed without the consent of priority LP.
 - (8) Special director: the designated person shall be the director of the project company. All parties agree that the special director shall have one vote veto power over the development, transfer, mortgage financing, use of funds beyond the payment details listed in the appendix "use of funds and payment schedule of Twin Regency phase I project" and other major matters related to the survival of Twin Regency phase I project.

1.1 Others

- (1) The contents and titles of this contract are for the convenience of the supplier and shall not be considered in the interpretation of this contract.
- (2) Any article or appendix referred to in this contract shall refer to any article or appendix of this contract, unless otherwise specified.
- (3) Any document will include those in force at the time and as amended in accordance with its provisions or with the consent of its participants.
- (4) Any "person" will include any individual, company, corporation, firm, enterprise, body, organization, unit, trust, government department or institution (in each case, whether or not it has independent corporate status).

Article 2 Cooperation Mode

The cooperation under this contract will include the following integral parts:

- 2 The total investment scale of the partnership is \$19 million Canadian Dollars, including \$12 million Canadian Dollars for priority LP, \$5 million Canadian Dollars for intermediate LP and \$2 million Canadian Dollars for basic LP. (for details of the partnership agreement, please refer to the appendix "limited partnership agreement". If the contents of this contract are similar to or in conflict with the contents of "limited partnership agreement", the contents of this contract shall prevail.)
- 2.1 Special agreement on principal and income distribution of priority LP Investment:
- A) On the expiration date of the term of cooperation, the order of property distribution of the partnership is as follows:
- (1) Firstly, the investment principal of priority LP and the investment income of priority LP are allocated;
 - (2) Secondly, the investment principal of intermediate LP and the investment income of intermediate LP are distributed;
 - (3) Finally, the rest is allocated by basic level LP.
- B) If the investment income of priority LP is less than the minimum income, the basic level LP promises to make up the difference; if the investment income of priority LP is greater than the minimum income, priority LP allocates the investment income by $50\% \text{ LP investment income} = (\text{partnership property} - \text{principal and income of priority LP investment} - \text{principal of intermediate LP investment} - \text{principal of basic LP investment}) \times 50\%$.
- 2.2 In order to guarantee the capital security and expected return of the paid investment principal of priority LP, Party C and Party D provide unlimited joint and several liability guarantee to priority LP, and the project company registers the pre-sale of Twin Regency phase I project under the name of priority LP according to the contract.

Article 3 Priority LP investment

- 3 The total amount of subscribed investment of priority LP is [12000000] Canadian Dollars, which shall be paid to the joint management account of the partnership in accordance with the contract after the payment terms of Clause 3.1 are fulfilled.

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- 3.1 On the premise that the following "priority LP investment payment conditions" are met and completed on or before March 15, 2020, priority LP agrees to pay the investment subscription of CAD [12000000] to the joint management account of the partnership within 3 days after completion (if the following conditions are delayed, the time for priority LP to pay the investment subscription shall be postponed accordingly):
- (1) Lawyer issues due diligence report on project company and partnership, and due diligence report on assets and financial status of Twin Regency phase I project;
 - (2) Both Party C and Party D have issued the letter of guarantee for the third party, and Party C and Party D shall provide unlimited joint and several liability guarantee to the LP;
 - (3) Priority LP and the project company sign the pre-sale contract for the property of Twin Regency phase I Project (see Appendix "list of pre-sale properties") in accordance with the contract (see Appendix "pre-sale contract for the property")
 - (4) Priority LP has appointed a special director to the board of directors of the project company, and the special director has been registered in the register of directors of the project company;
 - (5) The basic level LP, the project company and the partnership have not violated this contract and its attachments, and their statements, representations, guarantees and commitments to the priority LP are true, complete, timely and correct.
- 3.2 The fact that priority LP pays the investment fund without the achievement of the payment terms does not mean that it has actually exempted any or all of the payment terms of the investment fund.
- 3.3 After receiving the above investment funds, the partnership and the project company shall use the funds exclusively for the development of Twin Regency phase I project. The partnership and the project company shall not misappropriate the funds without written consent.

Article 4 Development Progress of Twin Regency phase I Project

- 4 On the date of signing this contract, the project company shall issue the "development schedule of Twin Regency phase I project" for the development schedule of Twin Regency phase I project as an appendix to



this contract. The project company promises to strictly implement the "development schedule of Twin Regency phase I project" and complete the development work of Twin Regency phase I project on schedule.

- 4.1 All parties confirm that the appendix "Twin Regency phase I project development schedule" shall not violate the following development schedule requirements in essence:
- (1) On or before October 31, 2020, the final site plan approval of Twin Regency phase I project will be approved;
 - (2) On or before December 31, 2020, building permit application of Twin Regency phase I project will be granted a building permit;
 - (3) On or before June 30, 2023, Twin Regency phase I project completion of the project completed.

Article 5 Project Management

- 5 From the date of signing this contract, the project company shall submit a "schedule of fund use and payment of Twin Regency phase I project" to the project management department every quarter, and the schedule shall be attached to this contract. The project company promises to use the funds in strict accordance with the provisions of "Twin Regency phase I project fund arrangement and payment schedule".
- 5.1 Before the rights and obligations between the company and the partnership are fully settled, the parties agree to make the following arrangements for the financial management system of the partnership and the project company:
- (1) The joint management account of the partnership and the joint management account of the project company shall be jointly managed by the company in accordance with the method agreed in this contract.
 - (2) All the money from the external sales of Twin Regency phase I project shall be paid to the joint management account of the project company. After the completion of the project settlement, the project company shall pay all the money to the joint management account of the partnership.
 - (3) Establish the signing and confirmation system of payment instructions for Twin Regency phase I project, that is, all payment items listed in "fund use and payment schedule for Twin Regency

phase I project" can be paid directly by the project company according to the schedule, and payment instructions beyond the payment scope of the schedule must be signed by the designated personnel before they can take effect.

- (4) The fund payment process of Twin Regency phase I project is as follows: the project company shall fill in the "fund application form" of Twin Regency phase I project in advance, fill in the payment details such as the purpose, object, method and time of payment in detail, and submit it to the designated personnel for approval and signature. Those who meet the payment conditions of Twin Regency phase I project shall be signed on the "fund application form" by the designated personnel of LP, and timely cooperate with the payment of relevant funds of the project company. In principle, the project company shall submit the "fund application form" for the next month before the first day of each month, and the application form shall be reviewed once a month.
- (5) For each payment of Twin Regency phase I project, the project company shall timely provide the corresponding copies of the contract, invoice or receipt and other accounting vouchers. The system shall be implemented once a month, and the details of the previous month shall be submitted before the 10th of each month.

- 5.2 Priority LP has the right to require the project company to timely, truthfully and completely disclose all information related to Twin Regency phase I project and / or the project company to priority LP (including but not limited to project development progress, sales, bank account capital flow, financial statements, etc.). Priority LP has the right to employ a third-party organization (including supervision organization and other professional service organizations) to conduct special supervision or review on the relevant matters of the project company according to the needs of the situation; if the results of the review / supervision are inconsistent with the information disclosed by the project party, the relevant expenses of employing the third-party organization shall be borne by the project company.
- 5.3 The project company shall set up a board of directors in accordance with the contract, with a total of [] members, one of whom is a special director appointed by LP. The special director has one vote veto power over the development, transfer, mortgage financing of Twin Regency phase I project, and the use of funds beyond the payment details listed in the

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appendix "use of funds and payment schedule of Twin Regency phase I project", which involves the survival of Twin Regency phase I project.

Article 6 Pre-sale Agreement

- 6 All parties unanimously confirm that: as a guarantee for the partnership and the basic LP to perform all their obligations under this contract and its attachments (including but not limited to the return of investment funds and investment income and liquidated damages, if any), the project company agrees to guarantee the pre-sale properties listed in the attachment "list of pre-sale properties" in the way of pre-sale to the priority LP, the total sale price of the pre-sale property should be \$10 million Canadian Dollars.
- 6.1 Priority LP shall sign one or more pre-sale contracts and supplementary agreements with the project company for the pre-sale properties according to the arrangement of the appendix list of pre-sale properties. (the pre-sale contract and its supplementary agreement are listed in the appendix of this contract.)
- 6.2 On the premise that the "conditions for cancellation of pre-sale of residential buildings" specified in article 6.3 are fully met and completed, the pre-sale contract of all pre-sale properties must be terminated within 3 working days. All parties confirm that the "cancellation of pre-sale conditions" shall include all the following conditions:
- (1) The partnership and / or the basic LP have returned all investment funds to the priority LP;
 - (2) The partnership and / or the basic LP have paid off all the investment income payable to the priority LP in accordance with this contract and the appendix.
- 6.3 Before the "conditions for cancellation of pre-sale of residential buildings" are fully met and completed, it is not necessary to perform the responsibility for cancellation of pre-sale of residential buildings as agreed in this contract.



Article 7 Performance Bond

- 7 Both Party C and Party D agree to issue an irrevocable "third party guarantee" to priority LP to provide unlimited joint and several liability for the project company, partnership and basic LP to perform all their obligations and liabilities under this contract and its attachments, the guarantee period of the guarantee shall be two (2) years from the date when Party C and Party D issue the guarantee respectively to the date when the last obligation and / or responsibility of the project company, the partnership and the basic level LP under this contract and its appendix expires.
- 7.1 All parties unanimously confirm that priority LP has the right to choose whether to exercise its rights as the guarantor in accordance with this article and the appendix "letter of guarantee for third party", and the guarantee provided by Party C and Party D in accordance with this article will not constitute any limitation on the recourse of priority LP to basic LP for the insufficient part of actual loss.

Article 8 Guarantee and promise

- 8 Each party hereby represents, warrants and undertakes to the other as follows:
- (1) Party A is a limited company legally established, validly existing and normally operating; Party B is a limited company legally established, validly existing and normally operating; Party C is a Chinese citizen with full capacity for civil rights and conduct; Party D is a Canadian citizen with full capacity for civil rights and conduct.
 - (2) Each party has all necessary powers, authorizations and approvals for signing this contract and other agreements or documents under this contract, and for fully performing its obligations under this contract and other agreements or documents under this contract.
 - (3) When signing this contract and other agreements or documents under this contract, all parties have taken all necessary internal authorization, approval and approval to sign this contract and other agreements or documents under this contract and perform their responsibilities under this contract. The legal representatives or authorized representatives of each party are fully authorized to

sign this contract and other agreements or documents under this contract according to the valid power of attorney issued by each party or the resolution of the board of directors.

- (4) This contract and other agreements or documents under this contract shall constitute legal, effective and binding responsibilities for each party after signing and according to its provisions, and neither party shall violate or violate any binding order when performing and complying with its responsibilities.
- (5) There is no litigation, arbitration or administrative order in any court, arbitral tribunal or government department that is not concluded, will be conducted or foreseeable against the parties or their assets.

8.1 Regarding the legality and development progress of Twin Regency phase I project, the project company hereby represents, warrants and undertakes to LP as follows:

- (1) On the date of signing this contract, the project company legally owns Twin Regency phase I project;
- (2) At present, Twin Regency phase I project is not prohibited or restricted by the judiciary or any administrative authority;
- (3) There is no notice or order affecting the termination of Twin Regency phase I project, and there is no proposal involving compulsory acquisition, requisition, development or other aspects that can have adverse effects on Twin Regency phase I project;
- (4) The development progress of Twin Regency phase I project will fully meet and comply with the requirements of this contract.

8.2 Each party confirms that the representations and guarantees made in this contract and its attachments are free from any misrepresentation or omission of any material facts necessary for cooperation, so they will not be misunderstood. Each party shall ensure that its representations and guarantees shall remain true, accurate and complete throughout the term of this contract.

Article 9 Liability for breach of contract

9 The breaching party shall remedy the breach in time and be responsible for compensating other parties for all direct economic losses caused by the breach. In case of breach of contract by more than one party, each

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party shall bear their respective responsibilities. The liabilities for breach of contract stipulated in this contract shall be regarded as cumulative and shall not constitute an obstacle for either party to safeguard its rights or seek other remedies.

- 9.1 In case of any of the following circumstances, priority LP shall have the right to unilaterally terminate this contract and require the cooperation term to expire in advance (including but not limited to requiring the basic LP to pay the investment principal and income of priority LP in advance immediately) without affecting other provisions of this contract
- (1) The partnership fails to return the investment in full on or before the expiration date of the cooperation period due to any reason;
 - (2) The partnership and / or the project company fail to achieve the payment terms of the investment funds in accordance with this contract;
 - (3) The project company fails to fully perform the project according to the development schedule of Twin Regency phase I Project (including but not limited to the failure to complete the completion procedures of Twin Regency phase I project before June 30, 2023), and the overdue time exceeds 30 days;
 - (4) The partnership and / or the project company misappropriates the investment funds to other projects or uses without authorization, and fails to return all misappropriated funds to the joint management account under this contract within 30 working days after being urged to do so;
 - (5) The partnership and / or the project company violates other provisions of this contract and fails to make corrections within 30 days after being urged.
- 9.2 In case of breach of contract mentioned in Article 8.1, in addition to unilateral termination of this contract, priority LP has the right to require basic LP to undertake the following liabilities for breach of contract at the same time:
- (1) Require the full return of the paid investment on the date of termination of the contract;
 - (2) It is required to pay the investment income from the beginning of the cooperation period to the termination date of the contract on the termination date of the contract;

- (3) Require priority LP to pay a penalty on the termination date of the contract, which is 20% of the investment amount subscribed by priority LP;
- (4) Claim compensation for any losses, claims, damages, fines and expenses arising therefrom.

9.3 If the basic LP fails to fully and timely pay off its payment obligations to the priority LP (including but not limited to the return of investment funds and investment income, payment of liquidated damages, compensation for losses, etc.) in accordance with the contract (all such payment obligations are hereinafter referred to as "basic LP arrears"), without affecting the priority LP's exercise of other rights under the contract (including but not limited to requiring the basic LP to continue to perform its obligations under the contract, requiring the guarantor Party C and / or Party D and / or the project company to assume the guarantee responsibility), priority LP has the right to require the project company and the project company to unconditionally agree to dispose of the pre-sale property in the following ways:

- (1) Priority LP chooses all or any one or more sets of pre-sale properties as the mortgaged properties (the "mortgaged properties") to repay the debts owed by the base LP. The value of the mortgaged properties is calculated at \$550 Canadian Dollars per square foot. The specific calculation formula is as follows:
The discounted value of the mortgaged property = the unit price of \$550 per square foot of saleable area × the total area of the mortgaged property
- (2) The project company shall sell and transfer the mortgaged property to the priority LP party or the designated person of priority LP according to the above price within 30 days from the next day after the expiration of the cooperation term (subject to the registration of the property right transfer of the mortgaged property and the physical delivery to the priority LP party or the designated person of priority LP).
- (3) In the process of going through the procedures mentioned in 8.3 (2), the project company shall perform and go through all obligations and procedures (including but not limited to providing relevant documents, etc.) in accordance with the requirements of priority LP and the real estate registration and Management Department of Ontario, Canada, so as to enable priority LP party or the third party designated by priority LP to obtain the property right of the mortgaged property and all other necessary rights.

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(4) If the discounted value of the mortgaged house exceeds the debt of the basic LP, the excess part shall be paid by the priority LP to the project company after the project company has completed all the procedures under 8.3 (2) (subject to the property right transfer registration of the mortgaged property and physical delivery to the priority LP party or the designated person of the priority LP); if the discounted value of the mortgaged house is insufficient, the basic LP shall be paid in full. In case of arrears, the basic LP shall make up immediately.

9.4 If the partnership fails to pay the investment payment without proper reason, it shall bear the overdue fine to the partnership according to the standard of 5 / 10000 of the overdue payment amount per day. If the priority LP fails to pay the equity investment for more than 30 working days without proper reasons, the other partners have the right to terminate this contract and require the priority LP to pay liquidated damages to the partnership according to the standard of 20% of the investment amount subscribed by the priority LP.

Article 10 Termination of contract

10 Except for the occurrence of force majeure or contrary provisions in this contract, this contract and all its attachments shall not be terminated in advance for any reason.

Article 11 Applicable law and dispute resolution

11 Except as otherwise specified in the appendix documents to this contract, the signing, validity, interpretation and performance of this contract must comply with the published laws of Ontario, Canada, which are currently in force. However, if the specific matters related to this contract are not specified in such laws, the general commercial practice shall be referred to.

11.1 All disputes arising from or in connection with the execution of this contract shall be settled by the parties through friendly negotiation. If the dispute cannot be settled through negotiation within 30 days after one party sends a written request to the other party for

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negotiation, either party shall have the right to submit the dispute to the court with jurisdiction in Ontario, Canada where the contract is signed for settlement.

- 11.2 There are two versions of this contract in Chinese and English. In case of any conflict of interpretation, the English version shall prevail.

Article 12 Notice

- 12 Any notice or written communication provided by either party to the other party under this contract, including (but not limited to) any and all offers, documents or notices issued in accordance with this contract, shall be written in Chinese and English, sent by fax, e-mail, express mail or registered airmail, and promptly sent or sent to the relevant party.
- 12.1 Giving notice or communication in accordance with the provisions of this contract, if the letter is sent by express delivery service company, the third (3) day after the letter is delivered to the express delivery service company shall be regarded as the date of receipt. If the letter is sent by registered air mail, the seventh (7) day after the letter is sent shall be regarded as the date of receipt. If the letter is sent by fax or e-mail and is certified by fax report and e-mail, the next working day after the message or e-mail is sent shall be regarded as the date of receipt. The date of receipt mentioned in this sub clause shall not include the date of giving the notice or communication.
- 12.2 All notices and communications shall be sent to the following relevant addresses until a written notice is given to the other party to change the address:

Party A: Wiseway Global Canada Consulting Ltd.
Address: 11F, building A, Financial Street JingAn center, NO. 780
Wan Hang Du Road, JingAn District, ShangHai, P. R. China
Postal Code: 200042
Fax: 021-62883001
E-mail: chenjun72@163.com
Attention: Jun Chen



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Party B: Triumph development Bradford Limited
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Party C: Lu Shen
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Party D: YueRong Wang
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Article 13 Other provisions

13 Secrecy

Each party shall keep the existence and content of this contract confidential and shall not disclose it to any third party without the written authorization of the other party, unless otherwise provided by law or the judicial or administrative body with jurisdiction.

13.1 Taxes

Unless otherwise agreed in this contract, each party agrees to bear its own taxes in accordance with the relevant laws and regulations of Ontario, Canada.

13.2 Abandonment

To the extent permitted by the laws of Ontario, Canada, failure or delay by either party to exercise a right under this contract and its attachments shall not be deemed as a waiver of such right. Any single or

partial exercise of a right shall not prevent the future exercise of another right.

13.3 Transferability

Priority LP has the right to transfer this contract and / or the rights and responsibilities under this contract in whole or in part. Without the prior written consent of the other parties to this contract, the other parties except LP shall not transfer this contract and / or the rights and responsibilities under this contract in whole or in part.

13.4 Severability

The invalidity of any provision of this contract shall not affect the validity of any other provision of this contract.

13.5 Modification

This contract is signed for the legitimate interests of each party. Any modification of this contract shall be valid only if it is signed in writing by each party.

13.6 Entire agreement

The appendix of this contract is an integral part of this contract and has the same binding force as this contract. This contract and its attachments constitute the entire agreement between the parties on the matters described in this contract and supersede all previous discussions, negotiations and agreements between them.

13.7 Appendix

This contract includes the following attachments:

- Appendix I Limited Partnership Agreement
- Appendix II List of pre-sale properties
- Appendix III Pre-sale contract and supplementary agreement
- Appendix IV Development schedule of Twin Regency phase I Project
- Appendix V Fund usage and payment schedule of Twin Regency phase I Project
- Appendix VI Third party guarantee
- Appendix VII Power of attorney of legal representative
- Appendix VIII Resolutions of shareholders' meeting / board of directors
- Appendix IX Copies of identity documents of all parties

13.8 Contract text and signing

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This contract may be signed in one or more copies, each of which shall be deemed as the original of this contract and constitute the same complete contract. The signature of each party by fax, e-mail or other electronic version shall constitute the original signature, and the fax or electronic version of the contract shall be deemed to be the same as the original.

13.9 Entry into force

This contract shall come into force on the date when it is signed and sealed by the authorized representatives of all parties.

(no text below)



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Signature page:

In witness whereof, the parties have caused their duly authorized representatives to sign this contract on the date first written.


Party A: Wiseway Global Canada Consulting Ltd

Signature: 


Party B: Triumph Development Bradford Limited

Signature:  .

Party C: Lu Shen

Signature: 

Party D: Yuerong Wang

Signature: 

07 January 2021

Dear Sirs

RE: WISEWAY GLOBAL CO., LIMITED

At the request of the above-named customer, we have pleasure in confirming that Wiseway Global Co., Limited has maintained an active and satisfactory HSBC Business Direct Account in our books since 1 November 2010 with balances averaging Hong Kong dollars of \$136,798,550.

This information is given in strict confidence and without any responsibility, howsoever arising, on the part of the Bank or its officers.

Yours faithfully



參考：GWISCIPLP2019344-00034F

致有關人士

敬啟者：

有關：威久國際有限公司

本行應上述客戶，現樂於確證威久國際有限公司於2010年11月1日在本行開有匯豐「理財易」商務戶，戶口活躍而令人滿意。要該戶口目前的帳號結餘為港幣壹億叁仟陸佰柒拾玖萬捌仟伍佰伍拾元。

上述資料以絕對機密方式提供，對於因此而引起的任何責任，概與本行及本行職員無關。

貿易資信部



譚啟華 謹啟

2021年1月7日

The Hongkong and Shanghai Banking Corporation Limited

香港上海滙豐銀行有限公司

分行處理中心客戶服務部

香港九龍彌敦道一號匯豐中心二樓一樓

電話：(852) 2822 1111 傳真：(852) 3418 4601 電傳：72205 115 062 11X

網址：www.hsbc.com.hk

Canada Sunlike Limited

And

Triumph Development Bradford Limited

Lu Shen

Yuerong Wang

Of

Project Cooperation Contract

(NO. TR20200218B)

Feb 2020



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List of Appendix

- Appendix I Limited Partnership Agreement
- Appendix II List of pre-sale properties
- Appendix III Pre-sale contract and supplementary agreement
- Appendix IV Development schedule of Twin Regency phase I
Project
- Appendix V Fund usage and payment schedule of Twin Regency
phase I Project
- Appendix VI Third party guarantee
- Appendix VII Power of attorney of legal representative
- Appendix VIII Resolutions of shareholders' meeting / board of
directors
- Appendix IX Identification documents of all parties

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Project cooperation contract

This project cooperation contract is signed by the following parties on February, 2020.

Party A: (Intermediate Level LP), Canada Sunlike Limited, is a limited company registered in Canada. Company Registration No.1096867-6

Party B: (Basic Level LP), Triumph Development Bradford limited, is a limited company registered in Canada. Company registration No.1096874-9

Party C: Lu Shen, Chinese ID No.310101197705052035

Party D: Yuerong Wang, Canadian Passport No.HN422643

(The above entities are individually referred to as a "party" and collectively referred to as the "parties")

Whereas:

A. Bradford Holdings Limited Partnership, a limited partnership incorporated in Canada. Company registration number: 3373951849 (hereinafter referred to as "partnership")

B. Party A and Party B are the partners of the partnership, of which Party A is the intermediate limited partner (LP) of the partnership and Party B is the basic limited partner (LP) of the partnership.

C. Triumph development HK Bradford Twin Regency Inc., a limited company incorporated in Canada. (company registration number: 1027140-3) (hereinafter referred to as "project company") the partnership is the sole shareholder of the project company.

D. The project company owns the development and construction right of Twin Regency phase I project, and the partnership holds 100% equity of the project company.

E. Party C and Party D are the related parties of the basic LP. In order to guarantee the basic LP to perform all the obligations and liabilities under this contract and its attachments, Party C and Party D agree to register the pre-sale of the property of Twin Regency phase I project with a value of \$10 million Canadian Dollars in the name of the project company in the name of intermediate LP. Meanwhile, Party C and Party D are willing to provide joint guarantee liability to intermediate LP.

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Based on the principle of equality and mutual benefit and through friendly consultation, the above parties have reached an agreement on relevant cooperation matters and signed this contract.

Article 1 Definition and interpretation

1 Definition

Unless otherwise specified in the contract, the following words have the following meanings in the contract and its attachments (including the preamble)

- (1) Twin Regency phase I Project: it is located in 2362 8th line, Bradford, Ontario, Canada. The plot covers an area of 412208 square feet. Twin Regency phase I is a 6-story apartment with a floor area of about 191929 square feet, with an underground floor area of about 81793 square feet. 227 apartments can be built. (for the target of Twin Regency phase I project, the list described in the document approved by the government shall prevail).
- (2) Twin Regency phase I project property: refers to the saleable residential apartments of Twin Regency phase I project.
- (3) Pre-sale: refers to the property of Twin Regency phase I project registered in the name of intermediate LP by the project company in accordance with this contract and its attachments. The parties confirm that the total value of the property registered under intermediate LP for pre-sale of the property is \$10 million.
- (4) Minimum income: refers to the basic level LP commitment. When the intermediate LP distributes the income in the partnership, if the investment income of the intermediate LP is less than 20% of the annualized income, the basic level LP will be guaranteed LP must make up the investment income of intermediate LP; the calculation formula of 20% annualized income: Annualized 20% income = the actual number of days from the date when the investment fund of intermediate LP is paid to the joint management account of the partnership to the expiration date of the cooperation term \times the investment fund of intermediate LP \times 20% \times 365 days.
- (5) Term of cooperation: from the date of payment of investment funds to the expiration date of the following dates (in case of any inconsistency in the following deadline, the earlier one shall

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- prevail): 1) The date when all investment funds have been returned to intermediate LP in full, or 2) June 30, 2023
- (6) Partnership co-managed account: refers to the account set up by the partnership in the bank, which is supervised by the designated person of intermediate LP. Without the consent of intermediate LP, the account shall not make any external payment.
 - (7) Co-managed account of the project company: it refers to the account set up by the project company in the bank, which is supervised by the designated person of intermediate LP, and no external payment is allowed without the consent of intermediate LP.
 - (8) Special director: the designated person shall be the director of the project company. All parties agree that the special director shall have one vote veto power over the development, transfer, mortgage financing, use of funds beyond the payment details listed in the appendix "use of funds and payment schedule of Twin Regency phase I project" and other major matters related to the survival of Twin Regency phase I project.

1.1 Others

- (1) The contents and titles of this contract are for the convenience of the supplier and shall not be considered in the interpretation of this contract.
- (2) Any article or appendix referred to in this contract shall refer to any article or appendix of this contract, unless otherwise specified.
- (3) Any document will include those in force at the time and as amended in accordance with its provisions or with the consent of its participants.
- (4) Any "person" will include any individual, company, corporation, firm, enterprise, body, organization, unit, trust, government department or institution (in each case, whether or not it has independent corporate status).

Article 2 Cooperation Mode

The cooperation under this contract will include the following integral parts:







2 The total investment scale of the partnership is \$19 million Canadian Dollars, including \$12 million Canadian Dollars for priority LP, \$5 million Canadian Dollars for intermediate LP and \$2 million Canadian Dollars for basic LP. (for details of the partnership agreement, please refer to the appendix "limited partnership agreement". If the contents of this contract are similar to or in conflict with the contents of "limited partnership agreement", the contents of this contract shall prevail.)

2.1 Special agreement on principal and income distribution of intermediate LP Investment:

A) On the expiration date of the term of cooperation, the order of property distribution of the partnership is as follows:

(1) Firstly, the investment principal of intermediate LP and the investment income of intermediate LP are allocated;

(2) Secondly, the investment principal of intermediate LP and the investment income of intermediate LP are distributed;

(3) Finally, the rest is allocated by basic level LP.

B) If the investment income of intermediate LP is less than the minimum income, the basic level LP promises to make up the difference; if the investment income of intermediate LP is greater than the minimum income, intermediate LP allocates the investment income by 50% LP investment income = (partnership property - principal and income of intermediate LP investment - principal of intermediate LP investment - principal of basic LP investment) × 50%.

2.2 In order to guarantee the capital security and expected return of the paid investment principal of intermediate LP, Party C and Party D provide unlimited joint and several liability guarantee to intermediate LP, and the project company registers the pre-sale of Twin Regency phase I project under the name of intermediate LP according to the contract.

Article 3 Intermediate LP investment

3 The total amount of subscribed investment of intermediate LP is [5,000,000] Canadian Dollars, which shall be paid to the joint management account of the partnership in accordance with the contract after the payment terms of Clause 3.1 are fulfilled.

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- 3.1 On the premise that the following "intermediate LP investment payment conditions" are met and completed on or before March 15, 2020, intermediate LP agrees to pay the investment subscription of CAD [5,000,000] to the joint management account of the partnership within 3 days after completion (if the following conditions are delayed, the time for intermediate LP to pay the investment subscription shall be postponed accordingly):
- (1) Lawyer issues due diligence report on project company and partnership, and due diligence report on assets and financial status of Twin Regency phase I project;
 - (2) Both Party C and Party D have issued the letter of guarantee for the third party, and Party C and Party D shall provide unlimited joint and several liability guarantee to the LP;
 - (3) Intermediate LP and the project company sign the pre-sale contract for the property of Twin Regency phase I Project (see Appendix "list of pre-sale properties") in accordance with the contract (see Appendix "pre-sale contract for the property")
 - (4) Intermediate LP has appointed a special director to the board of directors of the project company, and the special director has been registered in the register of directors of the project company;
 - (5) The basic level LP, the project company and the partnership have not violated this contract and its attachments, and their statements, representations, guarantees and commitments to the intermediate LP are true, complete, timely and correct.
- 3.2 The fact that intermediate LP pays the investment fund without the achievement of the payment terms does not mean that it has actually exempted any or all of the payment terms of the investment fund.
- 3.3 After receiving the above investment funds, the partnership and the project company shall use the funds exclusively for the development of Twin Regency phase I project. The partnership and the project company shall not misappropriate the funds without written consent.

Article 4 Development Progress of Twin Regency phase I Project

- 4 On the date of signing this contract, the project company shall issue the "development schedule of Twin Regency phase I project" for the development schedule of Twin Regency phase I project as an appendix to

this contract. The project company promises to strictly implement the "development schedule of Twin Regency phase I project" and complete the development work of Twin Regency phase I project on schedule.

- 4.1 All parties confirm that the appendix "Twin Regency phase I project development schedule" shall not violate the following development schedule requirements in essence:
- (1) On or before October 31, 2020, the final site plan approval of Twin Regency phase I project will be approved;
 - (2) On or before December 31, 2020, building permit application of Twin Regency phase I project will be granted a building permit;
 - (3) On or before June 30, 2023, Twin Regency phase I project completion of the project completed.

Article 5 Project Management

- 5 From the date of signing this contract, the project company shall submit a "schedule of fund use and payment of Twin Regency phase I project" to the project management department every quarter, and the schedule shall be attached to this contract. The project company promises to use the funds in strict accordance with the provisions of "Twin Regency phase I project fund arrangement and payment schedule".
- 5.1 Before the rights and obligations between the company and the partnership are fully settled, the parties agree to make the following arrangements for the financial management system of the partnership and the project company:
- (1) The joint management account of the partnership and the joint management account of the project company shall be jointly managed by the company in accordance with the method agreed in this contract.
 - (2) All the money from the external sales of Twin Regency phase I project shall be paid to the joint management account of the project company. After the completion of the project settlement, the project company shall pay all the money to the joint management account of the partnership.
 - (3) Establish the signing and confirmation system of payment instructions for Twin Regency phase I project, that is, all payment items listed in "fund use and payment schedule for Twin Regency

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phase I project" can be paid directly by the project company according to the schedule, and payment instructions beyond the payment scope of the schedule must be signed by the designated personnel before they can take effect.

- (4) The fund payment process of Twin Regency phase I project is as follows: the project company shall fill in the "fund application form" of Twin Regency phase I project in advance, fill in the payment details such as the purpose, object, method and time of payment in detail, and submit it to the designated personnel for approval and signature. Those who meet the payment conditions of Twin Regency phase I project shall be signed on the "fund application form" by the designated personnel of LP, and timely cooperate with the payment of relevant funds of the project company. In principle, the project company shall submit the "fund application form" for the next month before the first day of each month, and the application form shall be reviewed once a month.
- (5) For each payment of Twin Regency phase I project, the project company shall timely provide the corresponding copies of the contract, invoice or receipt and other accounting vouchers. The system shall be implemented once a month, and the details of the previous month shall be submitted before the 10th of each month.

5.2 Intermediate LP has the right to require the project company to timely, truthfully and completely disclose all information related to Twin Regency phase I project and / or the project company to intermediate LP (including but not limited to project development progress, sales, bank account capital flow, financial statements, etc.). Intermediate LP has the right to employ a third-party organization (including supervision organization and other professional service organizations) to conduct special supervision or review on the relevant matters of the project company according to the needs of the situation; if the results of the review / supervision are inconsistent with the information disclosed by the project party, the relevant expenses of employing the third-party organization shall be borne by the project company.

5.3 The project company shall set up a board of directors in accordance with the contract, with a total of [] members, one of whom is a special director appointed by LP. The special director has one vote veto power over the development, transfer, mortgage financing of Twin Regency phase I project, and the use of funds beyond the payment details listed in the

appendix "use of funds and payment schedule of Twin Regency phase I project", which involves the survival of Twin Regency phase I project.

Article 6 Pre-sale Agreement

- 6 All parties unanimously confirm that: as a guarantee for the partnership and the basic LP to perform all their obligations under this contract and its attachments (including but not limited to the return of investment funds and investment income and liquidated damages, if any), the project company agrees to guarantee the pre-sale properties listed in the attachment "list of pre-sale properties" in the way of pre-sale to the intermediate LP, the total sale price of the pre-sale property should be \$10 million Canadian Dollars.
- 6.1 Intermediate LP shall sign one or more pre-sale contracts and supplementary agreements with the project company for the pre-sale properties according to the arrangement of the appendix list of pre-sale properties. (the pre-sale contract and its supplementary agreement are listed in the appendix of this contract.)
- 6.2 On the premise that the "conditions for cancellation of pre-sale of residential buildings" specified in article 6.3 are fully met and completed, the pre-sale contract of all pre-sale properties must be terminated within 3 working days. All parties confirm that the "cancellation of pre-sale conditions" shall include all the following conditions:
- (1) The partnership and / or the basic LP have returned all investment funds to the intermediate LP;
 - (2) The partnership and / or the basic LP have paid off all the investment income payable to the intermediate LP in accordance with this contract and the appendix.
- 6.3 Before the "conditions for cancellation of pre-sale of residential buildings" are fully met and completed, it is not necessary to perform the responsibility for cancellation of pre-sale of residential buildings as agreed in this contract.



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Article 7 Performance Bond

- 7 Both Party C and Party D agree to issue an irrevocable "third party guarantee" to intermediate LP to provide unlimited joint and several liability for the project company, partnership and basic LP to perform all their obligations and liabilities under this contract and its attachments, the guarantee period of the guarantee shall be two (2) years from the date when Party C and Party D issue the guarantee respectively to the date when the last obligation and / or responsibility of the project company, the partnership and the basic level LP under this contract and its appendix expires.
- 7.1 All parties unanimously confirm that intermediate LP has the right to choose whether to exercise its rights as the guarantor in accordance with this article and the appendix "letter of guarantee for third party", and the guarantee provided by Party C and Party D in accordance with this article will not constitute any limitation on the recourse of intermediate LP to basic LP for the insufficient part of actual loss.

Article 8 Guarantee and promise

- 8 Each party hereby represents, warrants and undertakes to the other as follows:
- (1) Party A is a limited company legally established, validly existing and normally operating; Party B is a limited company legally established, validly existing and normally operating; Party C is a Chinese citizen with full capacity for civil rights and conduct; Party D is a Canadian citizen with full capacity for civil rights and conduct.
 - (2) Each party has all necessary powers, authorizations and approvals for signing this contract and other agreements or documents under this contract, and for fully performing its obligations under this contract and other agreements or documents under this contract.
 - (3) When signing this contract and other agreements or documents under this contract, all parties have taken all necessary internal authorization, approval and approval to sign this contract and other agreements or documents under this contract and perform their responsibilities under this contract. The legal representatives or authorized representatives of each party are fully authorized to

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sign this contract and other agreements or documents under this contract according to the valid power of attorney issued by each party or the resolution of the board of directors.

- (4) This contract and other agreements or documents under this contract shall constitute legal, effective and binding responsibilities for each party after signing and according to its provisions, and neither party shall violate or violate any binding order when performing and complying with its responsibilities.
- (5) There is no litigation, arbitration or administrative order in any court, arbitral tribunal or government department that is not concluded, will be conducted or foreseeable against the parties or their assets.

8.1 Regarding the legality and development progress of Twin Regency phase I project, the project company hereby represents, warrants and undertakes to LP as follows:

- (1) On the date of signing this contract, the project company legally owns Twin Regency phase I project;
- (2) At present, Twin Regency phase I project is not prohibited or restricted by the judiciary or any administrative authority;
- (3) There is no notice or order affecting the termination of Twin Regency phase I project, and there is no proposal involving compulsory acquisition, requisition, development or other aspects that can have adverse effects on Twin Regency phase I project;
- (4) The development progress of Twin Regency phase I project will fully meet and comply with the requirements of this contract.

8.2 Each party confirms that the representations and guarantees made in this contract and its attachments are free from any misrepresentation or omission of any material facts necessary for cooperation, so they will not be misunderstood. Each party shall ensure that its representations and guarantees shall remain true, accurate and complete throughout the term of this contract.

Article 9 Liability for breach of contract

9 The breaching party shall remedy the breach in time and be responsible for compensating other parties for all direct economic losses caused by the breach. In case of breach of contract by more than one party, each

party shall bear their respective responsibilities. The liabilities for breach of contract stipulated in this contract shall be regarded as cumulative and shall not constitute an obstacle for either party to safeguard its rights or seek other remedies.

- 9.1 In case of any of the following circumstances, intermediate LP shall have the right to unilaterally terminate this contract and require the cooperation term to expire in advance (including but not limited to requiring the basic LP to pay the investment principal and income of intermediate LP in advance immediately) without affecting other provisions of this contract
- (1) The partnership fails to return the investment in full on or before the expiration date of the cooperation period due to any reason;
 - (2) The partnership and / or the project company fail to achieve the payment terms of the investment funds in accordance with this contract;
 - (3) The project company fails to fully perform the project according to the development schedule of Twin Regency phase I Project (including but not limited to the failure to complete the completion procedures of Twin Regency phase I project before June 30, 2023), and the overdue time exceeds 30 days;
 - (4) The partnership and / or the project company misappropriates the investment funds to other projects or uses without authorization, and fails to return all misappropriated funds to the joint management account under this contract within 30 working days after being urged to do so;
 - (5) The partnership and / or the project company violates other provisions of this contract and fails to make corrections within 30 days after being urged.
- 9.2 In case of breach of contract mentioned in Article 8.1, in addition to unilateral termination of this contract, intermediate LP has the right to require basic LP to undertake the following liabilities for breach of contract at the same time:
- (1) Require the full return of the paid investment on the date of termination of the contract;
 - (2) It is required to pay the investment income from the beginning of the cooperation period to the termination date of the contract on the termination date of the contract;

- (3) Require intermediate LP to pay a penalty on the termination date of the contract, which is 20% of the investment amount subscribed by intermediate LP;
- (4) Claim compensation for any losses, claims, damages, fines and expenses arising therefrom.

9.3 If the basic LP fails to fully and timely pay off its payment obligations to the intermediate LP (including but not limited to the return of investment funds and investment income, payment of liquidated damages, compensation for losses, etc.) in accordance with the contract (all such payment obligations are hereinafter referred to as "basic LP arrears"), without affecting the intermediate LP's exercise of other rights under the contract (including but not limited to requiring the basic LP to continue to perform its obligations under the contract, requiring the guarantor Party C and / or Party D and / or the project company to assume the guarantee responsibility), intermediate LP has the right to require the project company and the project company to unconditionally agree to dispose of the pre-sale property in the following ways:

- (1) Intermediate LP chooses all or any one or more sets of pre-sale properties as the mortgaged properties (the "mortgaged properties") to repay the debts owed by the base LP. The value of the mortgaged properties is calculated at \$550 Canadian Dollars per square foot. The specific calculation formula is as follows:
The discounted value of the mortgaged property = the unit price of \$550 per square foot of saleable area × the total area of the mortgaged property
- (2) The project company shall sell and transfer the mortgaged property to the intermediate LP party or the designated person of intermediate LP according to the above price within 30 days from the next day after the expiration of the cooperation term (subject to the registration of the property right transfer of the mortgaged property and the physical delivery to the intermediate LP party or the designated person of intermediate LP).
- (3) In the process of going through the procedures mentioned in 8.3 (2), the project company shall perform and go through all obligations and procedures (including but not limited to providing relevant documents, etc.) in accordance with the requirements of intermediate LP and the real estate registration and Management Department of Ontario, Canada, so as to enable intermediate LP party or the third party designated by intermediate LP to obtain

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the property right of the mortgaged property and all other necessary rights.

- (4) If the discounted value of the mortgaged house exceeds the debt of the basic LP, the excess part shall be paid by the intermediate LP to the project company after the project company has completed all the procedures under 8.3 (2) (subject to the property right transfer registration of the mortgaged property and physical delivery to the intermediate LP party or the designated person of the intermediate LP); if the discounted value of the mortgaged house is insufficient, the basic LP shall be paid in full. In case of arrears, the basic LP shall make up immediately.

- 9.4 If the partnership fails to pay the investment payment without proper reason, it shall bear the overdue fine to the partnership according to the standard of 5 / 10000 of the overdue payment amount per day. If the intermediate LP fails to pay the equity investment for more than 30 working days without proper reasons, the other partners have the right to terminate this contract and require the intermediate LP to pay liquidated damages to the partnership according to the standard of 20% of the investment amount subscribed by the intermediate LP.

Article 10 Termination of contract

- 10 Except for the occurrence of force majeure or contrary provisions in this contract, this contract and all its attachments shall not be terminated in advance for any reason.

Article 11 Applicable law and dispute resolution

- 11 Except as otherwise specified in the appendix documents to this contract, the signing, validity, interpretation and performance of this contract must comply with the published laws of Ontario, Canada, which are currently in force. However, if the specific matters related to this contract are not specified in such laws, the general commercial practice shall be referred to.
- 11.1 All disputes arising from or in connection with the execution of this contract shall be settled by the parties through friendly negotiation.

If the dispute cannot be settled through negotiation within 30 days after one party sends a written request to the other party for negotiation, either party shall have the right to submit the dispute to the court with jurisdiction in Ontario, Canada where the contract is signed for settlement.

- 11.2 There are two versions of this contract in Chinese and English. In case of any conflict of interpretation, the English version shall prevail.

Article 12 Notice

- 12 Any notice or written communication provided by either party to the other party under this contract, including (but not limited to) any and all offers, documents or notices issued in accordance with this contract, shall be written in Chinese and English, sent by fax, e-mail, express mail or registered airmail, and promptly sent or sent to the relevant party.
- 12.1 Giving notice or communication in accordance with the provisions of this contract, if the letter is sent by express delivery service company, the third (3) day after the letter is delivered to the express delivery service company shall be regarded as the date of receipt. If the letter is sent by registered air mail, the seventh (7) day after the letter is sent shall be regarded as the date of receipt. If the letter is sent by fax or e-mail and is certified by fax report and e-mail, the next working day after the message or e-mail is sent shall be regarded as the date of receipt. The date of receipt mentioned in this sub clause shall not include the date of giving the notice or communication.
- 12.2 All notices and communications shall be sent to the following relevant addresses until a written notice is given to the other party to change the address:

Party A: Wiseway Global Canada Consulting Ltd.
Address: 11F, building A, Financial Street JingAn center, NO. 780
Wan Hang Du Road, JingAn District, ShangHai, P.R. China
Postal Code: 200042
Fax: 021-62883001
E-mail: chenjun72@163.com

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Attention: Jun Chen

Party B: Triumph development Bradford Limited
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Party C: Lu Shen
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Party D: YueRong Wang
Address: 350 Hwy 7 East, Suite 310, Richmond Hill, ON
Postal Code: L4B 3N2
Fax: + 1 905 597 7702
E-mail: 910396787@qq.com
Attention: Lu Shen

Article 13 Other provisions

13 Secrecy

Each party shall keep the existence and content of this contract confidential and shall not disclose it to any third party without the written authorization of the other party, unless otherwise provided by law or the judicial or administrative body with jurisdiction.

13.1 Taxes

Unless otherwise agreed in this contract, each party agrees to bear its own taxes in accordance with the relevant laws and regulations of Ontario, Canada.

13.2 Abandonment

To the extent permitted by the laws of Ontario, Canada, failure or delay by either party to exercise a right under this contract and its

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attachments shall not be deemed as a waiver of such right. Any single or partial exercise of a right shall not prevent the future exercise of another right.

13.3 Transferability

Intermediate LP has the right to transfer this contract and / or the rights and responsibilities under this contract in whole or in part. Without the prior written consent of the other parties to this contract, the other parties except LP shall not transfer this contract and / or the rights and responsibilities under this contract in whole or in part.

13.4 Severability

The invalidity of any provision of this contract shall not affect the validity of any other provision of this contract.

13.5 Modification

This contract is signed for the legitimate interests of each party. Any modification of this contract shall be valid only if it is signed in writing by each party.

13.6 Entire agreement

The appendix of this contract is an integral part of this contract and has the same binding force as this contract. This contract and its attachments constitute the entire agreement between the parties on the matters described in this contract and supersede all previous discussions, negotiations and agreements between them.

13.7 Appendix

This contract includes the following attachments:

- Appendix I Limited Partnership Agreement
- Appendix II List of pre-sale properties
- Appendix III Pre-sale contract and supplementary agreement
- Appendix IV Development schedule of Twin Regency phase I Project
- Appendix V Fund usage and payment schedule of Twin Regency phase I Project
- Appendix VI Third party guarantee
- Appendix VII Power of attorney of legal representative
- Appendix VIII Resolutions of shareholders' meeting / board of directors
- Appendix IX Copies of identity documents of all parties

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13.8 Contract text and signing

This contract may be signed in one or more copies, each of which shall be deemed as the original of this contract and constitute the same complete contract. The signature of each party by fax, e-mail or other electronic version shall constitute the original signature, and the fax or electronic version of the contract shall be deemed to be the same as the original.

13.9 Entry into force

This contract shall come into force on the date when it is signed and sealed by the authorized representatives of all parties.

(no text below)



Signature page:

In witness whereof, the parties have caused their duly authorized representatives to sign this contract on the date first written.

Party A: Canada Sunlike Limited

Signature:



Party B: Triumph Development Bradford Limited

Signature:



Party C: Lu Shen

Signature:



Party D: Yuerong Wang

Signature:



LIMITED PARTNERSHIP AGREEMENT

THIS LIMITED PARTNERSHIP AGREEMENT is made in Montreal, Quebec as of the 14th day of September 2015

BETWEEN

Canada Landmark Industrial Limited, a corporation duly incorporated under the laws of Canada and having its registered office located at A10-3000 Highway 7, Markham, ON, L3R 4X9;

(The "General Partner S")

AND

10989274 Canada Limited, a corporation duly incorporated under the laws of Canada and having its registered office located at A10-3000 Highway 7, Markham, ON, L3R 4X9;

(The "General Partner W")

(hereinafter each general partners above individually called as the "General Partner" and collectively called the "General Partners")

AND

Canada Sunlike Limited, a corporation duly incorporated under the laws of Canada and having its registered office located at A10-3000 Highway 7, Markham, ON, L3R 4X9;

(The "Limited Partner S")

AND

Triumph Development Bradford Limited, a corporation duly incorporated under the laws of Canada and having its registered office located at A10-3000 Highway 7, Markham, ON, L3R 4X9;

(The "Limited Partner W")

(hereinafter each of limited partners above individually called as the "Limited Partner" and collectively called the "Limited Partners")

THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants hereinafter contained, the parties hereto covenant and agree as follows:

1. INTERPRETATION

1.1 Defined Terms

In this Agreement, the following terms shall have the following meanings:

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- a) "Affiliate" means in relation to any Person, any other Person that directly or indirectly Controls, is Controlled by, or is under common Control with the first-mentioned Person. A Person is under common Control with another Person if both Persons are directly or indirectly Controlled by the same Person;
- b) "Agreement" means this limited partnership agreement, as amended, modified or supplemented from time to time;
- c) "Applicable Laws" means, unless the context otherwise dictates, any applicable statute of Canada or of a province or territory of Canada or any applicable regulations, orders, instruments, policies or other laws made under statutory authority by any governmental or regulatory body or agency having jurisdiction over the Partnership;
- d) "Assumption Agreement" means an agreement executed by a holder of Units, pursuant to which such Person agrees to be bound by this Agreement in the same manner as if it had been an original party hereto and makes the representation and warranties and covenants provided in the Subscription Agreement;
- e) "Business Day" means any day, other than Saturday, Sunday or any statutory or civic holiday in the Province of Québec;
- f) "Civil Code" means the Civil Code of Québec, as amended from time to time;
- g) "Class A Limited Partners" means each of those Limited Partners who from time to time hold Class A Units;
- h) "Class A Units" means class A limited partnership units of the Partnership having the rights, privileges and restrictions set forth in Schedule A hereof;
- i) "Class B Limited Partners" means each of those Limited Partners who from time to time hold Class B Units;
- j) "Class B Units" means class B limited partnership units of the Partnership having the rights, privileges and restrictions set forth in Schedule A hereof;
- k) "Control" means (i) as to any company or corporation, the ownership, directly or indirectly, of voting shares entitling the holder thereof to elect a majority of the directors of such company or corporation, (ii) as to any limited partnership, the ownership, directly or indirectly, of more than 50% of the units or common stock of such limited partnership's general partner, (iii) as to any other entity, the ownership, directly or indirectly, of more than 50% of the voting securities of said entity, or (iv) as to any entity, the conduct and management of the business and affairs, in all or substantially all material respects, of another entity, and the word "Controlled" and similar words shall have corresponding meanings;
- l) "Distributable Cash" means all cash held by the Limited Partnership available for distribution from time to time to the Partners as determined by the General Partner acting in accordance with GAAP and as evidenced by the financial statements of the Limited Partnership. In calculating such available cash of the Limited Partnership for each fiscal period of the Limited Partnership, the General Partner shall take into account all debts, obligations, liabilities, costs and expenses

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incurred by the Limited Partnership and the General Partner on behalf of the Limited Partnership in connection with the Project and the Business, all reserve amounts deemed necessary by the General Partner, and all other costs and expenses incurred by the Limited Partnership and the General Partner on behalf of the Limited Partnership relating to the Project and the Business.

- m) "Distribution" means any amount paid in cash or in kind to a Limited Partner or the General Partner in accordance with this Agreement and the words "Distribute", "Distributed" and similar words shall have corresponding meanings;
- n) "Extraordinary Resolution" means a resolution approved by the affirmative vote of Limited Partners holding more than 80% of the aggregate number of votes held by those Limited Partners entitled to vote in respect of such resolution at a duly convened meeting of Limited Partners or any adjournment thereof, or by written resolution in one or more counterparts distributed to all Limited Partners and signed by Limited Partners holding in the aggregate more than 90% of the aggregate number of votes held by those Limited Partners who are entitled to vote in respect of such resolution, provided that in no event shall Units held by the General Partner or its affiliates be included in respect of a resolution to approve the removal of the General Partner;
- o) "GAAP" has the meaning ascribed to this term in the handbook of the Canadian Institute of Chartered Accountants;
- p) "GP Unit" means an equal and undivided general partner interest in the Partnership as provided in this Agreement;
- q) "Insolvency Event" means: (i) the appointment of a receiver, liquidator or like official, (ii) filing of a voluntary petition for bankruptcy, or the entering of an order for relief in a bankruptcy or insolvency proceeding which is not stayed, dismissed or vacated within ninety (90) days, (iii) involuntary dissolution, liquidation or winding up, (iv) the commencement of any act or proceeding in connection with a liquidation, dissolution or winding up which is voluntary or, if involuntary, which is not contested in good faith, or (v) proceedings under bankruptcy, insolvency or other legislation for protection from creditors;
- r) "Interest" or "Partnership Interest" means the percentage ownership interest of a Limited Partner in the Partnership at any particular time, including the right of such Partner to any and all benefits to which such Partner may be entitled as provided in this Agreement, together with the obligation of such partner to comply with all the provisions of this Agreement. The percentage interest of the Limited Partners are set forth in Schedule "B".
- s) "Legal Publicity Act" means An Act respecting the Legal Publicity of Enterprises (Quebec) and the regulations thereunder, as amended from time to time;
- t) "LP Unit" includes Class A Unit and Class B Unit and means an equal and undivided limited partnership interest for each class in the Partnership as provided in this Agreement, acquired by subscription therefor, transfer thereof or otherwise and for the time being outstanding;
- u) "Majority Resolution" means a resolution approved by more than 50% of the votes cast by those Limited Partners entitled to vote in respect of such resolution at a duly convened meeting of Limited Partners or any adjournment thereof, or by written resolution in one or more counterparts distributed to all Limited Partners and signed by Limited Partners holding in the aggregate more

- than 50% of the aggregate number of votes held by those Limited Partners who are entitled to vote in respect of such resolution;
- v) "Partners" means, collectively, the General Partners and the Limited Partners and "Partner" means, individually, either any General Partner or any Limited Partner;
- w) "Partnership" means the limited partnership formed on the date hereof, pursuant to the Civil Code and the terms of this Agreement;
- x) "Partnership Expenses" means all costs, disbursements, fees and expenses incurred by or on behalf of the Partnership or the General Partner as general partner of the Partnership in connection with the constitution and organization of the Partnership and with the business and affairs of the Partnership, including, but not limited to:
- (i) legal, auditing, accounting, financial, tax and insurance services fees and expenses, including insurance premiums, in respect of the Partnership;
 - (ii) costs of reports to the Limited Partners, financial statements, tax returns, and expenses of the General Partners in its role as tax matter partner of the Partnership;
 - (iii) all extraordinary expenses, such as expenses relating to litigation, arbitration or other form of dispute resolution of the Partnership or the General Partners as general partner of the Partnership or any of its officer, employee or agent;
 - (iv) all expenses associated with the liquidation or dissolution of the Partnership; or
 - (v) any taxes, fees or other governmental charges levied against the Partnership and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Partnership;
- y) "Permitted Transferee" means any Affiliate that is eligible to hold an interest in the Partnership in accordance with the terms of this Agreement;
- z) "Person" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, and a natural person in his capacity as trustee, executor, administrator or other legal representative;
- aa) "Project Agreement" means an agreement entered into between the General Partners and Limited Partners on SEP 12, 2016.
- ab) "Proportion" means, in respect of a Limited Partner, at any given time, the proportion (expressed as a percentage) that the number of Units held by such Limited Partner bears to the total number of Units outstanding at such time;
- ac) "Register" means the register established and maintained or caused to be established and maintained by the General partner to record therein the names, addresses and numbers of LP Units held by each Limited Partners in accordance with the provisions of Article 2239 of the Civil Code;
- ad) "Subscription Agreement" means the subscription agreement entered into by a Limited Partner in connection with its purchase of LP Units;
- ae) "Special Resolution" means a resolution approved by the affirmative vote of Limited Partners holding at least 66% of the aggregate number of votes held by those Limited Partners who are

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entitled to vote in respect of such resolution at a duly convened meeting of Limited Partners or any adjournment thereof, or by written resolution in one or more counterparts distributed to all Limited Partners and signed by Limited Partners holding in the aggregate at least 66% of the aggregate number of votes held by those Limited Partners who are entitled to vote in respect of such resolution.

- af) "Tax Act" means the Income Tax Act (R.S.C. 1985 (5th Supp.), c. 1 and the regulations thereunder, as amended from time to time.
- ag) "Transfer" includes, in reference to any securities: (i) any transfer of such securities, including by operation of Applicable Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any sale, assignment, gift, donation, redemption, conversion or other disposition of such securities pursuant to an agreement, arrangement, instrument, understanding or otherwise by which legal title to or beneficial ownership of such securities passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; and (iii) the granting of any mortgage, charge, pledge, lien or grant of security interest, and in each case any agreement to effect any of the foregoing; and the words "Transferred," "Transferring," and similar words have corresponding meanings;
- ah) "Transferor" has the meaning ascribed to this term in Section 34 hereto; and
- ai) "Unit" means, as applicable, a GP Unit or a LP Unit.

1.2 Gender and Number

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.

1.3 Headings

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect its interpretation.

1.4 Currency

All references in this Agreement to dollars or to "\$" are expressed in Canadian currency unless otherwise specifically indicated.

1.5 Statutory References

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as they may have been or may from time to time be amended, re-enacted or superseded.

2. THE LIMITED PARTNERSHIP

2.1 Formation of Limited Partnership

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The General Partners and the Limited Partners hereby form a limited partnership under the provisions of the Civil Code. The rights and liabilities of the parties hereto shall be as provided in the Civil Code except as herein otherwise expressly provided (to the extent permitted by the Civil Code).

2.2 Name

The name of the Partnership shall be "Société en commandite Bradford" in its French form and "Bradford Holdings Limited Partnership" in its English form. The business of the Partnership may be conducted under either the French name or the English name or such other name or names as the General Partners shall from time to time determine in its reasonable discretion in accordance with the Civil Code.

2.3 Purpose and Powers

- 2.3.1 The business and purpose of the Partnership shall be to invest in, hold securities of or loan money to, Persons deemed suitable by the General Partners, and to engage in such activities as the General Partners shall deem necessary, advisable, convenient or incidental to such fulfillment.
- 2.3.2 Subject to the terms and limitations of this Agreement, the Partnership shall have the power to do any and all acts necessary, appropriate, incidental or convenient to, or for the furtherance of, the purposes and business described herein and for the protection of the assets of the Partnership and benefit of the Partnership, and shall have, without limitation, any and all of the powers that may be exercised on behalf of the Partnership by the General Partners pursuant to Article 5, including without limitation the power to issue Units or other securities or debt obligations of the Partnership and to give as security or sell the same for such sums and at such prices as may be deemed expedient by the General Partners.
- 2.3.3 For greater certainty, the Partnership shall not, in carrying out its investment activities, be in any way restricted by the provisions of the Civil Code limiting or purporting to limit investments which may be made by partnerships or general partner.

2.4 Registered Office

The Partnership shall maintain its registered office at 7475 Boul. Newman, suite 311, LaSalle, Québec, or at such other place as the General Partner shall determine.

2.5 Term

The term of the Partnership shall commence on the date hereof and shall continue until five years following the date of this Agreement unless earlier terminated under the provisions of Article 9.

2.6 Fiscal Year

The fiscal year of the Partnership shall end on December 31 in each year, or on such other date as the General Partners shall determine.

2.7 Title to Partnership Assets

Legal title to assets acquired or to be acquired by the Partnership shall be registered in the name of the Partnership or in the name of the General Partners as nominee and prête-nom for and on behalf of the

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Partnership, with or without reference to the Partnership to the extent the General Partners executes and maintains in force declaration(s) of trust nominee or prête-nom agreements in respect thereof in favour of the Partnership.

2.8 Filings

The General Partners shall cause to be executed and filed such declaration and documents as may be required by law for the Partnership to perfect and maintain its status as a limited partnership including, without limitation, the declaration required to be filed under the Legal Publicity Act. The General Partners shall take all necessary action on the basis of information available to it in order to maintain the status of the Partnership as a limited partnership.

3. CAPITAL OF THE PARTNERSHIP

3.1 Division into Units

The Partnership is authorized to issue 1) one class of Units, to be designated as "Class A Units", in an unlimited number, 2) one class of Units, to be designated as "Class B Units" in an unlimited number, and 3) one class of Units, to be designated as "GP Units", in an unlimited number. All of such Units having attached thereto the rights, privileges, restrictions and conditions set forth in the Schedule A, except as expressly provided for herein:

- a) each class of LP Unit shall have attached thereto the same rights and obligations as, and shall rank equally and pari passu with, each other same class LP Unit in all respects hereunder;
- b) each class of LP Unit shall carry the right to one vote;
- c) GP Units may only be issued to, transferred to or held by a general partner, and not to or by a Limited Partner;
- d) A Unit shall constitute a "security" for the purposes of an Act respecting the Transfer of Securities and the Establishment of Security Entitlements (Quebec);
- e) The Partnership shall issue Units only as fully-paid and non-assessable;
- f) The Partnership shall not issue fractional Units.

3.2 Contributions to the Partnership

The Partners acknowledge and agree that the Partners have contributed or are deemed to have contributed capital to the Partnership and their capital accounts and percentage interest, as of the date of this agreement, are set forth in Schedule "B". Partners may contribute or may be required to contribute additional capital, in which case their capital account will be appropriately adjusted following the date of this agreement.

The capital contribution of the Limited Partner S in respect of Class A Units will be by way of the contribution of its knowledge, expertise, and financing under section 1.1(3) of the Project Agreement (the "Goodwill").

The capital contribution of the Limited Partner W in respect of Class B Units will be by way of contributing its shares in Triumph Development HK Bradford Twin Regency Inc. ("Bradford Inc.") of which the Limited Partner W is the sole shareholder.

3.3 Restrictions on Transfer

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Subject to the provisions of Section 3.3:

- a) No Limited Partner may Transfer all or any portion of its rights or LP Units in the Partnership or other securities of the Partnership without the consent of the General Partners, except as expressly permitted by this Agreement, and any such attempted Transfer not permitted hereunder shall be null and void.
- b) No Transfer or issuance of any Unit shall be or become effective until the transferee, if not already bound by this Agreement, executes and delivers an Assumption Agreement to the General Partners. No such Transfer of Units shall release such Partner from any of its liabilities or obligations under this Agreement until it becomes effective and then only to the extent provided in this Agreement.
- c) Except as set forth in this Section 3.3 no Partner may withdraw or retire from the Partnership without the consent of the General Partners and any such attempted withdrawal or retirement not permitted hereunder shall be null and void.
- d) The General Partners may Transfer its GP Units at any time without the consent of any of the Limited Partners.
- e) The General Partners shall not permit the transfer of any LP Units in the Partnership or of any other securities of the Partnership if such transfer would cause the Partnership to become a reporting issuer within the meaning of the Securities Act (Quebec). Any such transfer that would cause the Partnership to become a reporting issuer shall be void and not given any effect by the Partners.
- f) Neither the transfer of Units nor the withdrawal or retirement of any Partner from the Partnership shall, in itself, result in the termination of the Partnership.

3.4 Permitted Transfers

- 3.4.1 Each Partner (a "Transferor") shall be entitled, upon prior written notice to the General Partners, to Transfer any of the LP Units owned by the Transferor to any Permitted Transferee of the Transferor. No such Transfer shall be or become effective until the Permitted Transferee executes and delivers to the General Partners an Assumption Agreement. No such Transfer shall release or discharge the Transferor from any of its liabilities or obligations under this Agreement until it becomes effective and then only to the extent provided in this Agreement.
- 3.4.2 The Transferor shall, at all times after the transfer of LP Units to a Permitted Transferee, (i) cause the Permitted Transferee to remain a Permitted Transferee of the Transferor so long as the Permitted Transferee still has any registered or beneficial interest in the LP Units, and (ii) indemnify the Partnership, the General Partners and the other Limited Partners against any loss, damage or expense incurred as a result of the failure by the Permitted Transferee to comply with the provisions of this Agreement.
- 3.4.3 The Transferor shall pay all reasonable out-of-pocket expenses incurred by the Partnership in connection with Transfer of any Partnership Interest.

3.5 Entry as Limited Partner

Upon the acceptance by the General Partners of a subscription for LP Units on terms and conditions determined by the General Partners in its sole discretion, the General Partners will cause the name of the Limited Partner to be entered on the Register as a Limited Partner, and will file or amend or cause to be filed or amended such other documents and instruments as may be required to be filed or amended under the Civil Code, the Legal Publicity Act and any similar legislation in other provinces or territories, as required to afford limited liability to the Limited Partners so admitted to the greatest extent possible.

3.6 Certificates

The ownership of any Units shall be evidenced only by the recording thereof in the Register. No holder of Units shall be entitled to receive a certificate or other instrument representing Units.

4. THE LIMITED PARTNERS

4.1 Management and Control

The Limited Partners shall not take part in the administration of the Partnership or transact any business for the Partnership, nor shall they have the power to act for or bind the Partnership, said powers being vested solely and exclusively in the General Partners.

4.2 Limited Liability

Subject to the provisions of the Civil Code, the liability of the Limited Partners for the debts, liabilities and obligations of the Partnership is limited to the amount of their capital contribution to the Partnership plus their respective share of the undistributed income of the Partnership and the Limited Partners shall have no further personal liability for such debt.

4.3 Tax Act

Each of the Limited Partners jointly (not solidarity) represents, warrants, covenants and agrees with each other Partner that it will promptly provide evidence to the General Partners upon request of its status under the Tax Act affecting the status of the Partnership or of any other matter that affects or may from time to time affect its status.

4.4 Additional Limited Partners

The General Partners shall be authorized to admit additional Limited Partners to the Partnership as Limited Partners, without further acts of the Partners. The General Partners shall make such filings and recordings as are required by law in connection thereto.

4.5 No Priority, etc

No Limited Partner shall have priority over any other Limited Partner either as to the return of the amount of its capital contribution to the Partnership or as to any allocation of income, gain, loss, deduction or credit.

4.6 No Partition Liens

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No Limited Partner shall have the right to bring any action for the partition of the property of the Partnership, or to register any prior claim, hypothec, lien or charge in respect of the property of the Partnership.

4.7 Individual Capital Accounts

An individual capital account shall be maintained by the Partnership on the basis of GAAP in respect of capital contributions made by each Limited Partner and all subsequent additions to and debits from such account. Such Capital Account shall be credited with (i) the amount of all capital contributions made by the Limited Partner to the Partnership pursuant to this Agreement and (ii) all profits allocated to such Limited Partner pursuant to Article 5 hereof, and shall be decreased by (a) the amount of Distribution to such Limited Partner by the Partnership pursuant to this Agreement, and (b) all Partnership losses computed in accordance with Article 8 hereof and allocated to the Limited Partner.

4.8 No Withdrawal of Capital

Except as otherwise expressly provided herein, no Limited Partner shall have the right to withdraw capital from the Partnership, receive any Distribution or receive the return of such Partner's capital contributions.

4.9 Bankruptcy, Dissolution or Withdrawal of a Limited Partner

The bankruptcy, dissolution or withdrawal of a Limited Partner shall not in and of itself dissolve or terminate the Partnership.

6. THE GENERAL PARTNER

6.1 Management of the Partnership

All of the General Partners shall have exclusive authority, right and power to manage, control, administer and operate the business and affairs of the Partnership. The General Partners shall unanimously make all decisions and take all actions on behalf of the Partnership which, in their sole judgment, are necessary, proper or desirable to carry on the Partnership's purpose and powers described in Section 2.3. Without limiting the generality of the foregoing, the General Partners shall unanimously have all of the rights and powers of a general partner as provided in the Civil Code and as otherwise provided by law, and any action taken by the General Partners shall constitute the act of and serve to bind the Partnership.

6.2 Reliance by Third Parties

In dealing with the General Partners acting on behalf of the Partnership, no Person shall be required to inquire into the authority of the General Partners to bind the Partnership. Persons dealing with the Partnership are entitled to rely conclusively on the power and authority of the General Partners as set forth in this Agreement.

6.3 Liability of the General Partner

The General Partners jointly have unlimited liability for the debts, liabilities and obligations of the Partnership. However, neither the General Partners nor any of its officers, directors or employees shall be liable, responsible or accountable in damages or otherwise to the Partnership or the Limited Partners for

any action taken or failure to act on behalf of the Partnership within the scope of the authority conferred on the General Partners by this Agreement or by law unless such action or omission was performed or omitted fraudulently, by willful misconduct or in gross negligence.

5.4 Removal of the General Partners

- 5.4.1 The General Partner shall not be removed as the general partner of the Partnership unless (i) the General Partner has committed a willful breach of Applicable Law or a fraud or gross negligence in the conduct of the Partnership's business and (ii) such act or omission has a material adverse effect on the Partnership. In such event, the General Partner's removal shall be authorized by Extraordinary Resolution.
- 5.4.2 Notwithstanding Section 5.4.1, the General Partner shall be automatically removed as the general partner of the Partnership, without further action or delay, if the General Partner has committed an Insolvency Event.
- 5.4.3 A new general partner of the Partnership shall be nominated by the Limited Partners within one hundred twenty (120) days of the removal of the General Partner, provided that the Limited Partners shall, until such successor is appointed, be entitled to perform, with the unanimous consent of all the Limited Partners, any act of simple administration required for the management of the Partnership in accordance with Article 2245 of the Civil Code.

6. PROFITS, LOSSES AND DISTRIBUTIONS

6.1 Expenses

Subject to any arrangements between the Partnership and any third parties, all Partnership Expenses shall either be paid by the Partnership or reimbursed by the Partnership to the General Partners prior to any Distribution hereunder.

6.2 Computation of Net Income and Net Loss and Income and Loss for Tax Purpose

- 6.2.1 The allocation of Net Income or Net Loss to each Partner for each Fiscal Year of the Partnership will be credited or debited to the Partner's individual capital account and carried separately in such capital account.
- 6.2.2 Allocation of Net loss. Net loss for any fiscal period will be allocated among the Partners as of the end of such fiscal period in the following manner:
- (i) first, to each General Partner, to the extent of 0.01% thereof to a maximum of \$1,000;
 - (ii) second, to the holders of the Class A Units and Class B Units, pro rata to their respective interest until a Limited Partner's At Risk Amount in respect of such Units is reduced to zero;
 - (iii) the balance, to the General Partners pro rata in proportion to their respective GP Unit.
- 6.2.3 Allocation of Net Income. Net income for any fiscal period will be allocated among the Partners as of the end of such fiscal period in the following manner:

- (i) first, to the General Partners in proportion to the amounts allocated to them in prior years under Section 6.3.2(iii), to the extent of the amounts so allocated thereunder;
- (ii) second, to the Limited Partners in proportion to the amounts allocated to them in prior years under Section 6.3.2(ii), to the extent of the amounts so allocated thereunder;
- (iii) third, to each General Partner, an amount equal to 0.01% of the Net Income to a maximum of \$1,000 per year;
- (iv) fourth, to the holders of the Class A and Class B Units in their respective interest until cumulative Net income allocated to the holders of the Class A Units net of cumulative Net Loss allocated to the holders of the Class A Units reaches \$839,000;
- (v) the balance, to the holders of the Class B Units.

The General Partners shall have the right, in computing the income or loss of the Partnership for tax purposes, to adopt a different method of accounting than required by Section 6.2, to adopt different treatments of particular items and to make and revoke elections on behalf of the Partnership and the Partners as the General Partners may, in their sole discretion, deem to be in the best interests of the Partners. In respect of any fiscal year, the General Partners will claim the maximum capital cost allowance in respect of depreciable property of the Partnership, the maximum amount of other deductions and the maximum reserves as permitted under the Tax Act, provided that the General Partners may claim less than the maximum in any fiscal year if it considers that to do so would be in the best interests of the Limited Partners.

6.3 Allocation of Income or Loss for Tax Purposes

The income or loss of the Partnership for tax purposes for the whole of a fiscal year shall be determined on the basis of the GAAP applied consistently and be allocated to Persons who were Partners in the fiscal year in the proportions set out in Section 6.2. The income or loss of the Partnership for tax purposes which is allocated to the Limited Partners shall be allocated among the Limited Partners as of the times and in the proportions set out in Section 6.2.

6.4 Elections

- 6.4.1 The Limited Partner S and every other Partner of the Partnership shall jointly elect on a timely basis pursuant to subsection 97 (2) of the Income Tax Act (and pursuant to any analogous provision of applicable provincial legislation) in respect of the transfer described in Section 3.2 hereof so that the Limited Partner S's proceeds and the Partnership's cost of the Goodwill for tax purposes will be an amount to be determined by the Limited Partner S, which amount may be less than the Fair Market Value of such Goodwill. Accordingly, in the first Fiscal Year of the Partnership in which any of the Goodwill are disposed of (or deemed to have been disposed of for purposes of the Income Tax Act) and each subsequent Fiscal Year thereafter, it is agreed that, to the extent that the Partnership's income or gains arising from the disposition (and computed for income tax purposes) to be allocated to the Partners is greater than the income or gains arising from the disposition (and computed for income tax purposes) to be allocated to the Partners that the Partnership would have had if no such election had been made in respect of the transfer by

the Limited Partner S described in Section 3.2 hereof (the "Class B Non-Election Income"), the amount by which the actual income or gains of the Partnership arising from the disposition (and computed for income tax purposes) exceeds the Class A Non-Election Income will be allocated entirely to the Limited Partner W for tax purposes.

- 6.4.2 The Limited Partner W and every other Partner of the Partnership shall jointly elect on a timely basis pursuant to subsection 97 (2) of the Income Tax Act (and pursuant to any analogous provision of applicable provincial legislation) in respect of the transfer described in Section 3.2 hereof so that the Limited Partner W's proceeds and the Partnership's cost of the share capital of Bradford Inc. for tax purposes will be an amount to be determined by the Limited Partner W, which amount may be less than the Fair Market Value of such share capital of Bradford Inc. Accordingly, in the first Fiscal Year of the Partnership in which any of the share capital of Bradford Inc. are disposed of (or deemed to have been disposed of for purposes of the Income Tax Act) and each subsequent Fiscal Year thereafter, it is agreed that, to the extent that the Partnership's income or gains arising from the disposition (and computed for income tax purposes) to be allocated to the Partners is greater than the income or gains arising from the disposition (and computed for income tax purposes) to be allocated to the Partners that the Partnership would have had if no such election had been made in respect of the transfer by the Limited Partner W described in Section 3.2 hereof (the "Class B Non-Election Income"), the amount by which the actual income or gains of the Partnership arising from the disposition (and computed for income tax purposes) exceeds the Class B Non-Election Income will be allocated entirely to the Limited Partner W for tax purposes.
- 6.4.3 Each of the Partners agrees to file its Canadian tax returns on a basis consistent with the allocations and elections referred to in Sections 6.4.1 and 6.4.2 hereof.

6.5 Distributions of Distributable Cash

6.5.1 The General Partners shall from time to time determine Distributions to be made to Partners in respect of periods of activity of the Partnership.

6.5.2 Distributable cash arising in a fiscal year shall be distributed as follows:

- a) first, to each of the General Partners, to the extent 0.01% of the amount of Net Distributable Cash to a maximum of \$1000 per Fiscal Year; and
- b) second, on a pari passu basis to each of Class A Limited Partners that hold Class A Units and Class B Limited Partners that hold Class B Units until Class B Limited Partners' cumulative distribution reaches \$639,000;
- c) the balance, to Class B Limited Partners that hold Class B Units.

6.6 Loans

The General Partners shall, unless otherwise directed in writing, aggregate all distributions or portions thereof otherwise payable during the calendar year to a Limited Partner pursuant to Section 6.4 and instead cause the Limited Partnership to make a single distribution thereof on the first Business Day following December 31 of that calendar year (or, if earlier, the day before the Limited Partner ceases to be a Limited Partner of the Limited Partnership), if as a consequence of any such distributions or portions

thereof, the capital account of that Limited Partner would be reduced below zero. The General Partners shall instead cause the Limited Partnership to lend the unpaid distributions to such Limited Partner on an interest-free basis, with such loan being due and payable on the first Business Day following December 31 of that calendar year (or, if earlier, the day before the Limited Partner ceases to be a Limited Partner of the Limited Partnership), the whole with the right of set-off against amounts owing by the Limited Partnership to such Limited Partner and for the avoidance of doubt, such Limited Partner hereby irrevocably directs that any distribution made in accordance with this provision shall be applied to repay loans advanced pursuant to this provision at the time such loans are due and payable. Neither the General Partners nor the Partnership shall be liable to a Limited Partner by virtue of (i) the General Partners making loans or distributions to a Limited Partner in accordance with this Section 6.6, or (ii) any calculation or miscalculation of such Limited Partner's capital account made pursuant to this Section 6.6.

6.7 Repayment

If the accountants of the Partnership determine that any Limited Partner has received in error an amount which is in excess of and disproportionate to its entitlement, such Limited Partner shall forthwith upon receipt of written request from the General Partners reimburse the Partnership to the extent of such excess or in the discretion of the General Partners and upon written notice to the Limited Partners, reduce future distributions to such Limited Partner until the excess amount previously distributed in error has been compensated for.

7. BANKING, RECORDS AND ACCOUNTING

7.1 Banking

The General Partners shall handle all banking functions necessary for the due performance of the Partnership's accounting and administrative functions under the provisions of this Agreement, and shall be responsible for the receipt and disbursement of all monies of the Limited Partners. The cash funds of the Partnership derived from the business of the Partnership shall be deposited in one or more bank accounts held at such Canadian banks as the General Partners shall determine and there shall be no commingling of such funds with the monies from other properties or projects or with any other monies of the General Partners or with the funds of any other Person.

7.2 Records and Accounting

7.2.1 Proper and complete records and books of account of the business of the Partnership, including a list of the names and addresses of the Partners and the number of LP Units held by each Limited Partner, shall be maintained by the General Partners, such records and books to be kept at the General Partners' principal place of business.

7.2.2 The books and records of the Partnership shall be kept in accordance with GAAP consistently applied.

7.3 Partnership Tax Returns

The General Partners shall cause to be prepared and filed in a timely manner all tax returns required to be filed for the Partnership in the jurisdictions in which the Partnership conducts business or derives income for all applicable tax years.

7.4 Annual Report to Limited Partners

Within ninety (90) days after the end of each financial year, the General Partners shall cause to be delivered to each Limited Partner an annual report containing the financial statements of the Partnership prepared on the basis of GAAP consistently applied and accompanied by an auditor's report prepared by an independent public accounting firm.

7.5 Tax Information

The General Partners shall deliver or cause to be delivered within one hundred twenty (120) days after the end of each Fiscal Year to each Limited Partner and to each other Person that was a Limited Partner during such Fiscal Year, to the extent necessary in the reasonable judgment of the General Partners or as required by Applicable Law, documentation and information as shall enable such Limited Partner or former Limited Partner to prepare their respective Canadian federal and provincial income tax returns.

8. MEETINGS OF THE PARTNERSHIP

8.1 Meeting

8.1.1 A meeting of the Partnership shall be called annually by the General Partners, to be held no later than one hundred twenty (120) days after the end of each Fiscal Year during the Term (the "Annual Meeting") and a meeting of the Partnership may be called at any time by the General Partners.

8.1.2 In addition, a meeting of the Partnership shall be called by the General Partners upon written request (a "Meeting Request") of the holders of at least 25% of all issued and outstanding Units. If the General Partners fails to convene a meeting within a period of thirty (30) days after receipt of a Meeting Request, the requesting Limited Partners may convene such meeting and the notice calling such meeting shall be signed by such requesting Limited Partners or by any Person as such requesting Limited Partners may specify in writing. Any meeting called by such requesting limited Partners shall be conducted in accordance with the provisions of this Agreement.

8.1.3 All meetings of the Partnership shall be held in such place in the Province of Quebec or elsewhere as may be designated by the General Partners from time to time. The Partners may participate in a meeting by means of telephone or videoconference.

8.2 Notice

Notice of all meetings of the Partnership, stating the time, place and a description of the purpose of the meeting, including copies of all relevant documents and resolutions, shall be given by the General Partners or the Partners calling the meeting to each Partner at least ten (10) days and not more than forty-five (45) days before the meeting, provided that accidental omission to provide notice in accordance with the foregoing shall not in and of itself invalidate such meeting. No business not stated in the notice of meeting shall be considered at such meeting. The provisions of Section 8.2 shall apply with respect to the notice for adjourned meetings.

8.3 Quorum

Except as set out below, at any meeting of the Partnership, a quorum shall consist of all of the General Partners and at least one (1) Limited Partner. If a quorum is not present within fifteen (15) minutes after the scheduled time for the meeting, the meeting shall be (i) if convened on the requisition of Limited Partners, dissolved, or (ii) otherwise adjourned to such place and time as the General Partners determine.

The General Partners shall give not less than ten (10) days' notice of the date, time and location of the adjourned meeting and at such adjourned meeting a quorum shall consist of Limited Partners then present in person or represented by proxy and voting. At any such adjourned meeting any business may be transacted which might have been transacted at the meeting as originally called.

8.4 Voting

Every question submitted to a meeting (except those matters which require a vote by Special Resolution or Extraordinary Resolution) shall be decided by Majority Resolution. In the case of an equality of votes, the chairman of the meeting shall not have a casting vote. Each Limited Partner shall have one vote for each Unit in respect of which he is the registered owner. No Person other than the holder of a Unit or a Person appointed by proxy is entitled to vote at a meeting of the Partnership.

8.5 Proxies

Any Limited Partner entitled to vote at any meeting of the Partnership may vote by proxy, provided that no proxy shall be voted at any meeting unless it has been placed on file with the General Partners for verification at least forty-eight (48) hours prior to the date of the meeting or any adjournment thereof. A Person appointed by proxy need not be a Partner.

8.6 Record Dates

Except as otherwise expressly provided for herein, the General Partners may fix a date not more than sixty (60) days prior to the date of any meeting of the Partnership or other action as a record date for the determination of Limited Partners entitled to vote at such meeting or any adjournment thereof or to be treated as Limited Partners of record for purposes of such other action.

8.7 Chair

The General Partners shall have the right to appoint one representative for all of the General Partners to serve as the chairman of a meeting of the Partnership provided that if such representative is not available at the commencement of such meeting, the Limited Partners attending such meeting shall elect a chairman at the commencement of such meeting.

8.8 Authorized Attendance

The General Partners shall have the right to authorize the presence of any Person at any meeting of the Partnership regardless of whether such Person is a Partner. With the approval of the General Partners, such Person shall be entitled to address the meeting.

9. DISSOLUTION, LIQUIDATION AND TERMINATION OF THE PARTNERSHIP

9.1 Dissolution

The Partnership shall be dissolved upon the occurrence of any of the following events:

- a) the expiration of its term as set forth in Section 2.5
- b) the decision of the Limited Partners taken by Special Resolution to effect such dissolution;
- c) notice from the General Partners to the Limited Partners to the effect that it has determined that changes in any Applicable Law would be materially burdensome to the Partnership or renders the Partnership illegal;
- d) new general partners of the Partnership has not been nominated by the Limited Partners within one hundred twenty (120) days after the removal of all of the General Partners in accordance with Section 5.4; or
- e) a judicial decree of dissolution has been obtained.

9.2 Liquidation and Termination

- 9.2.1 The Partnership shall not terminate upon a dissolution, but shall cease to engage in further business except to the extent necessary to promptly wind up its affairs, perform existing contracts and preserve the value of its assets.
- 9.2.2 During the course of winding up the Partnership, all of the provisions of this Agreement shall continue to bind the Partners and apply to the activities of the Partnership except as specifically provided to the contrary.
- 9.2.3 Upon dissolution of the Partnership, the General Partners shall act as liquidator and shall take such actions as it may think fit for winding up the Partnership and liquidating the assets of the Partnership, including the filing of all certificates and notices of dissolution as are required by Applicable Law.

10. AMENDMENTS AND POWER OF ATTORNEY

10.1 Amendments

- 10.1.1 From time to time and without prior notice to, or the consent of, any Limited Partner, the General Partners may amend any provision of this Agreement or add any provision hereto if such amendment or addition is, in the opinion of the General Partners, in their sole discretion, acting reasonably, necessary or desirable for the protection or benefit of all the Limited Partners or the Partnership or necessary or desirable to cure an ambiguity in, or to correct or supplement, any provision contained in this Agreement which is defective or inconsistent with any other provision contained in this Agreement, provided that such cure, correction or supplemental provision does not and will not affect materially adversely the interests of any Limited Partner.
- 10.1.2 For purposes of greater certainty and without limiting Section 10.1.1, the General Partners may make amendments to this Agreement to reflect:
 - a) a change in the name of the Partnership or the Location of the principal office of the Partnership or the registered office of the Partnership, provided such principal office or registered office shall at all times be located in the Province of Quebec;

- b) the admission, substitution, withdrawal or removal of Limited Partners in accordance with this Agreement;
 - c) a change that, as determined by the General Partners, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under Applicable Laws;
 - d) a change that, as determined by the General Partners, is reasonable, necessary or appropriate to enable the Partnership to take advantage of, or not be detrimentally affected by, changes in the Tax Act or other tax laws; or
 - e) a change that, as determined by the General Partners in their sole discretion, acting reasonably, does not adversely affect any of the Limited Partners;
- 10.1.3 The General Partners shall notify the Limited Partners in writing of the full details of any amendment to this Agreement within thirty (30) days of the effective date of such amendment.

10.2 Power of Attorney

- 10.2.1 Each Limited Partner does hereby irrevocably constitute, appoint and empower the General Partners, with full power of substitution, the true and lawful attorney of such Limited Partner, to execute, acknowledge, verify, swear to, deliver, record and file, in its place and stead:
- a) any and all amendments to this Agreement that may be permitted or required by this Agreement or Applicable Law, including, without limitation, amendments required to effect the admission of additional Limited Partners pursuant to and as permitted by this Agreement or to revoke any admission of a Limited Partner which is prohibited by this Agreement;
 - b) any business certificate, declaration of limited partnership, any amendment thereto, or other instrument or document of any kind necessary to accomplish the Partnership's business or the terms of this Agreement;
 - c) all instruments that may be required in order to effect a sale and Transfer of Units in accordance with Section 3.4; and
 - d) all other instruments that may be required or permitted by Applicable Law to be filed on behalf of the Partnership and that are not inconsistent with this Agreement.
- 10.2.2 Subject to Applicable Law, the power of attorney provided in this Section 10.2 shall be irrevocable, shall survive and not be affected by the dissolution, bankruptcy or legal disability of any Limited Partner and shall extend to such Limited Partner's successors, assigns and personal representatives.

11. NOTICES

11.1 Notice to Limited Partners

Any notice to be given or any document to be sent to a Limited Partner shall be validly given if delivered personally or if sent by pre-paid ordinary post addressed to such Limited Partner at the address

appearing on Register or if sent by email (with confirmation of transmission) provided that such Limited Partner has consented to electronic transmission of documents.

11.2 Notice to Partnership or General Partners

Any notice to be given or any document to be sent to the Partnership or the General Partners shall be validly given if delivered personally or if sent by pre-paid ordinary post or if sent by email (with confirmation of transmission) at the following address:

To the General Partner S:
Canada Landmark Industrial Limited
A10-3000 Highway 7, Markham, ON L3R 4X9
Attention: Jun Chen
Telecopier Number: 416-668-4168

To the General Partner W:
10989274 Canada Limited
A10-3000 Highway 7, Markham, ON L3R 4X9
Attention: Lu Shen
Telecopier Number: 416-668-4168

To the Partnership
Société en commandite Bradford
311-7475 Boul. Newman Lasalle QC H8N 1X3
Attention: Lu Shen
Telecopier Number: 514-225-7600

11.3 Deemed Delivery

Any notice delivered personally shall be deemed to have been given and received on the day it is so delivered (or if that day is not a Business Day, on the next Business Day). Subject to disruptions in the postal service, any notice sent by pre-paid ordinary post shall be deemed to have been given and received on the fifth (5th) day following the date of mailing. Any notice given by email shall be deemed to have been given and received on the business day following the day of transmission provided confirmation of transmission can be produced by the party giving the notice.

12. MISCELLANEOUS

12.1 Further Assurances

Each Limited Partner shall execute and deliver such other certificates, agreements and documents, and take such other actions, as may reasonably be requested by the General Partners in connection with the formation of the Partnership and the achievement of its purposes and not inconsistent with the terms and provisions of this Agreement, including, without limitation: (a) any documents that the General Partner deems necessary or appropriate to form, qualify or continue the Partnership as a limited partnership in all jurisdictions in which the Partnership conducts or plans to conduct business; and (b) all such agreements, certificates, tax statements and other documents as may be required to be filed in respect of the Partnership.

12.2 Counterparts

This Agreement may be executed in any number of counterparts and may be delivered by registered or certified mail, courier, teletype or other facsimile transmission or email attachment. Each such counterpart shall be deemed an original and all such counterparts taken together shall constitute a single agreement.

12.3 Successors and Assigns

This Agreement shall inure to the benefit of the Partners and the Limited Partners, and shall be binding upon their respective successors and permitted assigns.

12.4 Severability

Every term and provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such term or provision shall be enforced to the maximum extent permitted by law and, in any event, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

12.5 Non-Waiver

No provision of this Agreement shall be deemed to have been waived except if the giving of such waiver is contained in writing, and no such waiver shall be deemed to be a waiver of any other or further obligation or liability of the party or parties in whose favour the waiver was given.

12.6 Set-off

The Partnership may set off any amount owed by, or liability of, the Partnership to a Limited Partner against any amount owed by, or liability of, such Limited Partner to the Partnership. No Limited Partner shall be entitled to a claim of set-off in respect of any amounts owed by, or liability of, such Limited Partner or another Person to the Partnership against any amount owed by, or liability of, the Partnership to such Limited Partner or such other Person.

12.7 Applicable Law

This Agreement shall be governed and construed pursuant to the laws of the Province of Québec and the federal laws applicable therein. The Parties irrevocably submit to the exclusive jurisdiction of the courts having jurisdiction in the judicial district of Montréal.

12.8 Entire Agreement

This Agreement constitutes the entire agreement among the Partners with respect to the subject matter hereof and supersedes any prior agreement or understanding among them with respect to such subject matter.

12.9 Language

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The parties hereto have expressly agreed that this Agreement and all related documents be drawn up in the English language. Les parties aux présentes ont expressément convenu que la présente convention et tous les documents s'y rapportant soient rédigés en anglais.

(Signature page follows)

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written:

General Partners:

Canada Landmark Industrial Limited


By: 
 Name: *Chen Jun*
 Title: *Director*

10989274 Canada Limited

By: 
 Name: *LU SHEN*
 Title: *Director*

Limited Partners:

Canada Sunlike Limited

By: 
 Name: *Chen Jun*
 Title: *Director*

Triumph Development Bradford Limited

By: 
 Name: *LU SHEN*
 Title: *Director*

Schedule A

1. Description of Units

The Partnership is authorized to issue one class of Units, to be designated as "Class A Units", in an unlimited number; one class of Units, to be designated as "Class B Units", in an unlimited number; and one class of Units, to be designated as "GP Units", in an unlimited number, which shall carry and be subject to the following rights, privileges, restrictions and conditions:

1.1 GP Units

The GP Units may only be issued to general partners and shall have attached thereto the following rights, privileges, restrictions and conditions:

- the right to one vote per unit at all meetings of Limited Partners, except meetings at which only holders of a specified class of units are entitled to vote;
- subject to the prior rights and privileges attaching to any other class of units of the Partnership, the right to receive any distributions by the Partnership based on its Partnership interest;
- subject to the prior rights and privileges attaching to any other class of units of the Partnership, the right to receive the distribution by the Partnership calculated in accordance with Section 6, and
- subject to the prior rights and privileges attaching to any other class of units of the Partnership, the right to receive the remaining property and assets of the Partnership upon dissolution based on its Partnership interest.

1.2 The Class A Units

The Class A Units may only be issued to Limited Partners and shall have attached thereto the following rights, privileges, restrictions and conditions:

- the right to one vote per unit at all meetings of Limited Partners, except meetings at which only holders of a specified class of units are entitled to vote;
- the Class A Units may at any time and from time to time be issued of such number of units as may, before the issue thereof, be determined by the General Partner;
- subject to the prior rights and privileges attaching to any other class of units of the Partnership, the right to receive the distribution by the Partnership calculated in accordance with Section 6, and
- the class provisions attaching to the Class A Units may be amended only with the prior approval of the holders of the Class A Units by Extraordinary Resolution.

1.3 The Class B Units

The Class B Units may only be issued to Limited Partners and shall have attached thereto the following rights, privileges, restrictions and conditions:

- the right to one vote per unit at all meetings of Limited Partners, except meetings at which only holders of a specified class of units are entitled to vote;

- the Class B Units may at any time and from time to time be issued of such number of units as may, before the issue thereof, be determined by the General Partner;
- subject to the prior rights and privileges attaching to any other class of units of the Partnership, the right to receive the distribution by the Partnership calculated in accordance with Section 8 and
- the class provisions attaching to the Class B Units may be amended only with the prior approval of the holders of the Class B Units by Extraordinary Resolution.

- 24 -

Schedule B**GENERAL PARTNERS**

<u>Name</u>	<u>No. of GP Units</u>	<u>Capital Contributions</u>
The General Partner S	1	\$1
The General Partner W	1	\$1

LIMITED PARTNERS

<u>Name</u>	<u>No. of LP Units</u>	<u>Capital Contributions</u>	<u>Percentage Interest</u>
The Limited Partner S	100 Class A Units	\$1,300,000	50%
The Limited Partner W	100 Class B Units	\$1,300,000	50%

chen

SL

APPENDIX P

**PAUL HANCOCK**

Direct Dial: (416) 597-6824

E-mail: phancock@dv-law.com

File No. 220537

October 3, 2022

VIA EMAIL: dmichaud@robapp.com**ROBINS APPLEBY LLP**

2600-120 Adelaide Street West

Toronto, Ontario

M5H 1T1

Attention: Dominique Michaud

Dear Madam:

**Re: Request for Information: Triumph Development HK Bradford Twin Regency Inc.
("Triumph") – 2362 Line 8, Bradford West Gwillimbury, Ontario (the "Property")**

Further to your e-mail of September 26, 2022, and Mr. Kopach's letter of September 22, 2022, my clients Delbrook Triumphant Builders Inc. ("Delbrook") and 10853828 Canada Inc. ("108") have provided me with documents/responses to CTBC Bank Corp.'s (CTBC) request.

I would note, however, that the CTBC's request does not relate to Prudent Excellence Mortgage Investment Corporation's ("Prudent") pleaded defence.

Prudent has not pled that either Delbrook or 108 are owners pursuant to the Construction Act and their liens are invalid on that basis. Instead, Prudent is disputing any priority claim made by Delbrook or 108 on the basis that Prudent did not have notice of any claim for lien at the time advances were made. Prudent is also denying Peter and Leni Bander Kooij's mortgage is in first position and Prudent is in second position (see paragraph 1 of the Defence).

As the additional provisions in Prudent's registered charge (enclosed as tab 1) specifically refer to a second advance of up to two hundred thousand dollars upon receiving positive feedback regarding the second submission of the Site Plan Application from Bradford and York Region (being the documents that my clients prepared which the Receiver has used to market the project), Prudent's own documentation establishes that Prudent's mortgage is, in fact, a building mortgage pursuant to section 78(2) of the *Construction Act* and should satisfy any inquiry the Receiver may have as to Prudent's allegation that no lien claim has priority.

I would further note that Prudent operated out of the same shared 350 Highway 7 east, Suite 310 office as Triumph from at least 2019 until March 2021, when an eviction notice was issued (enclosed as tab 2).

Furthermore, in 2019 “Frank” Fujia Wang, the president of Prudent, was introduced to 108 as a director or manager of Triumph and 108 reported to Mr. Wang on this project (as well as other projects). Please find enclosed e-mails correspondence and meeting minutes where 108 is reporting and receiving instructions from Mr. Wang on behalf of Triumph (enclosed as tabs 3 to 6).

Accordingly, Prudent was well aware of the services that Delbrook was providing to Triumph when the mortgage was registered and would have pled that Triumph had common ownership with Delbrook and/or 108 if it believed same to be true.

As noted in my August 19, 2022, letter I trust that Receiver has done its due diligence to determine Prudent and Triumph’s relationship to confirm that the second mortgage is between arms’ length parties.

With respect to the CTBC’s request for information, both 108 and Delbrook solely had contractual relationships with Triumph and were not owned by the same individuals as Triumph.

With respect to the date of first supply under 108’s project management agreement, 108 took over the June 8, 2017, project development between Montanaro Project Management Professional Inc. (“Montanaro”) and Triumph in 2019 with Triumph’s consent. Please find enclosed a copy of the project development agreement (tab 7) as well as Triumph’s acceptance of consultant contracts that include an acknowledgment that 108 is solely is merely a development manager/project manager and Triumph has authorized said contracts (Tabs 8 to 15).

The date of first supply on the claim for lien was based on the date of Montanaro’s project management agreement.

Mohammad Mehdi Haj-Shafiei (“Mehdi Shafiei”) is the sole officer and director of 108. Mehdi Shafiei is the sole shareholder of 108 (see enclosed Tab 16). No person related to Triumph has ever been an officer or director of 108.

Delbrook was incorporated to act as the construction manager for the project and entered into a contract with Triumph on March 3, 2020 (see enclosed Tab 17). The shareholders of Delbrook are Sandro Soscia, Mehdi Shafiei, and Ali Haj-Shafiei (see enclosed Tab 18). No other persons have ever owned shares in Delbrook.

My clients were advised by Ms. Shen that Triumph interviewed other builders before choosing Delbrook.

As part of the construction management services provided by Delbrook, Delbrook agreed to assist Triumph to obtain Tarion registration under the Delbrook umbrella of companies. In order for Triumph to be part of Delbrook’s umbrella group, Triumph was required to share at least one

common officer or director with Delbrook. Please find enclosed the Ontario Builder Directory searches which show that Triumph was under Delbrook Homes umbrella and the requirement to have a common officer or director (Tabs 19 to 21).

As part of that process Mehdi Shafiei was listed as a director of Triumph between April 14, 2020, and March 29, 2021. Please find enclosed a May 19, 2020, e-mail from Mehdi Shafiei to Delbrook's solicitor requesting that an indemnity be prepared as Mehdi Shafiei was listed as a director of Triumph solely for Tarion purposes (Tab 22). I am also enclosing a February 4, 2021, e-mail from Mehdi Shafiei to Mr. Shen and Mr. Wu seeking instructions to further demonstrate that Mehdi Shafiei did not have control of Triumph and Delbrook was operating at arms' length (Tab 23).

On March 29, 2021, Mehdi Shafiei was removed as a director by Triumph. Mehdi Shafiei was not involved in his removal and suspects that it was due to Triumph's refusal to pay 108 and Delbrook, but we have no documents related to same.

Mehdi Shafiei never had any financial interest in Triumph, nor any signing authority, and was solely a director for the purposes of Triumph being registered with Tarion. Please note that CTBC apparently acted as Triumph's bank and, at least, has a shareholder ledger for Triumph and would be aware of which individuals had signing authority for banking purposes.

Triumph's Lu Shen and Gary Chan were listed directors of Delbrook from February 24, 2020, to November 11, 2020. They were originally added because my clients were under the misapprehension that Tarion required same. Lu Shen and Gary Chan were removed when the parties realized that Lu Shen and Gary Chan did not need to be directors of Delbrook for Tarion purposes (whereby only Mr. Shafiei remained as a director of Triumph and Delbrook). Both Lu Shen and Gary Chan signed resignations (see enclosed Tabs 24 and 25).

As part of Triumph becoming registered with Tarion, Delbrook assembled and provided Tarion with documents from Triumph, including the following enclosed documents:

1. A vendor agreement executed by Lu Shen (Tab 26);
2. A Guarantee and Indemnity agreement executed by Lu Shen (Tab 27);
3. A Guarantee and Indemnity agreement executed by Yureong Wang (Tab 28);
4. An organization chart showing that Triumph's sole shareholder was Bradford Holding Limited Partnership, whose shareholders were various companies owned by Lu Shen, Yuerong Wang, and Jun Chen (Tab 29);
5. A Shareholder registry on CTBC letterhead showing that Yuerong Wang owned 100 percent of the shares of Triumph (Tab 30);
6. A Shareholder registry showing Wang and Bradford Holding Limited Partnership being the shareholders of Triumph (Tab 31);
7. A priority level agreement between Wiseway Global Canada Consulting Ltd. ("Wiseway") and Triumph Development Bradford Limited, Lu Shen, and Yeurong Wang (Tab 32);
8. A certificate of funds for Wiseway (Tab 33);
9. An intermediate level agreement between Canada Sunlike Limited, Triumph Development Bradford Limited, Lu Shen, and Yuerong Wang (Tab 34);

10. A Limited partnership agreement between various companies (Tab 35);
11. A Triumph resolution which appears to be signed by Lu Shen and Yuerong Wang appointing CTBC as the company bank and authorizing signatories (Tab 36); and
12. Triumph incorporation documents (Tab 37).

In similar fashion to the negotiation of Prudent second mortgage and CTBC providing banking facilities to Triumph, Mehdi Shafiei did not participate and does not have any further information regarding numbers 4 to 12, save and except for the fact that those documents were submitted to Tarion and Tarion approved the registration of Triumph with Tarion.

We do not have any further resolutions, shareholder registries, and/or minute books related to Triumph.

Please note that Wiseway appears to have some interest in Triumph and may be able to provide you with further information regarding the ownership structure of Triumph. Furthermore, as Triumph provided my clients with CTBC documents that contain Triumph ownership information it is possible that CTBC may have further documentation regarding the ownership structure of Triumph.

With respect to 108 and Delbrook, we have enclosed the shareholder registries for Delbrook and 108, but there are no director resolutions related to the project and/or Triumph for either company.

To the extent CTBC is requesting further financial documents or solicitor client privileged documents related to 108 and Delbrook my clients will not be producing same.

Please do not hesitate to contact me if the Receiver requires any further information or have any questions regarding the enclosed documents.

Yours truly,



Paul Hancock

PW/mf

cc: Client (by email)

Tab 36

RESOLUTIONS OF THE BOARD OF SHAREHOLDERS

OF

Triumph Development HK Bradford Twin Regency Inc.

(The "Corporation")

WHEREAS the Corporation has been incorporated under the Canada Business Corporations Act effective June 08, 2017; Corporation By-law and a Certificated of Incorporation bearing that date has been approved.

APPOINTMENT OF OFFICERS

RESOLVED that JUNEJA, HAESH is hereby appointed as president of the Corporation, JUNEJA, HAESH is hereby appointed as President of the Corporation to hold the said offices during the pleasure of the Board.

ISSUE OF SHARES

On the date hereof, the registered and beneficial shareholders of the Corporation are:

<u>Name</u>	<u>Number of Shares</u>
-------------	-------------------------

WANG, Yuerong	100
---------------	------------

There are no other issued and outstanding shares of the Corporation

WITNESS the corporate seal of the Corporation this _____ day of _____, 2019

a g ; ¹ 1 0 _____
 Name: WANG, Yuerong?
 Title:

Triumph Development HK Bradford Twin Regency Inc.

I, the undersigned, being the Director of the Company, hereby consent to and adopt in writing the following resolutions:

Whereas:

A. It is in the interest of the Company to carry on banking activities with CTBC Bank Corp. (Canada)("CTBC");

And

B. It is expedient for the Company to appoint trusted individuals to be authorized signatories on behalf of the Company in connection with the Company's banking activities with CTBC;

BE IT RESOLVED THAT:

1. CTBC be appointed as a banker for the Company
2. The following individuals are hereby authorized to sign and deliver documents and to conduct all aspects of the Company 's banking activities business with CTBC on behalf of the company.



0. In the absence of any written agreement to the contrary, these resolutions shall apply to all accounts subsequently opened with CTBC by or on behalf of the Company and shall remain in effect and be irrevocable until a resolution repealing these resolution has been passed and a copy thereof certified by a director or officer of the Company has been delivered to CTBC.

The Member's resolutions of the Company is dated the September 24, 2019





CTI3C BANK

tiDglegEIRI 1

Customer Name: Triumph Development HK Bradford Twin Regency Inc.

Account Number:

Ownership Structure *	
Share Holder Name	Percentage of Ownership
WANG, Yuerong	100%

[Handwritten signature]

* As a recommended best practice, please record the detailed percentage of ownership to demonstrate the complete information was collected with respect to beneficial ownership.
 (Not limited to beneficial ownership 25% and above)
 (While we only collect detailed information on shareholders with beneficial ownership 25% and above)

Tab 37

2017-06-08

Corporations Canada
 C. D. Howe Building
 235 Queen Street
 Ottawa, Ontario K1A 0H5

Corporations Canada
 Edifice C.D. Howe
 235, rue Queen
 Ottawa (Ontario) K1A 0H5

Corporation Information Sheet

Canada Business Corporations Act (CBCA)

Fiche de renseignements concernant la société

Loi canadienne sur les sociétés par actions (LCSA)

Triumph Development HK Bradford Twin Regency Inc.

Corporation Number	1027140-3	Numero de société
Corporation Key	79034672	Cie de société
Required for changes of address or directors online		Requise pour mettre à jour en ligne l'adresse du siège social ou l'information concernant les administrateurs
Anniversary Date	06-08	Date anniversaire
Required to file annual return	(mm-dd/mm-ji)	Requise pour le dépôt du rapport annuel
Annual Return Filing Period	06-08 to/à 08-07	Periode pour déposer le rapport annuel
Starting in 2018	(mm-dd/mm-ji)	Debutant en 2018

Reporting Obligations

A corporation can be dissolved if it defaults in filing a document required by the CBCA. To understand the corporation's reporting obligations, consult Keeping Your Corporation in Good Standing (enclosed or available on our website).

Corporate Name

Where a name has been approved, be aware that the corporation assumes full responsibility for any risk of confusion with existing business names and trademarks (including those set out in the Nuans search report). The corporation may be required to change its name in the event that representations are made to Corporations Canada and it is established that confusion is likely to occur. Also note that any name granted is subject to the laws of the jurisdiction where the corporation carries on business. For additional information, consult **Protecting Your Corporate Name** (enclosed or available on our website).

Obligations de déclaration

Une société peut être dissoute si elle omet de déposer un document requis par la LCSA. Pour connaître les obligations de déclaration de la société veuillez consulter **Maintenir votre société en conformité**, ci-jointe ou disponible dans notre site Web.

Denomination sociale

En dépit du fait que Corporations Canada ait approuvé la dénomination sociale, il faut savoir que la société assume toute responsabilité de risque de confusion avec toutes dénominations commerciales, marques de commerce existantes (y compris celles qui sont citées dans le rapport de recherche Nuans). La société devra peut-être changer sa dénomination advenant le cas où des représentations soient faites auprès de Corporations Canada établissant qu'il existe une probabilité de confusion. Il faut aussi noter que toute dénomination octroyée est assujettie aux lois de l'autorité législative ou la société mène ses activités. Pour obtenir de l'information supplémentaire, veuillez consulter le document **Protection de la dénomination sociale** ci-joint ou disponible dans notre site Web.

Certificate of Incorporation

Canada Business Corporations Act

Certificat de constitution

Loi canadienne sur les sociétés par actions

Triumph Development HK Bradford Twin Regency Inc.

Corporate name / Denomination sociale

1027140-3

Corporation number / Numero de société

I HEREBY CERTIFY that the above-named corporation, the articles of incorporation of which are attached, is incorporated under the *Canada Business Corporations Act*.

JE CERTIFIE que la société susmentionnée, dont les statuts constitutifs sont joints, est constituée en vertu de la *Loi canadienne sur les sociétés par actions*.

Virginie Ethier

Director / Directeur

2017-06-08

Date of Incorporation (YYYY-MM-DD)

Date de constitution (AAAA-MM-JJ)

1+1

Form 1
Articles of Incorporation
Canada Business Corporations Act (s. 6)

Formulaire 1
Statuts constitutifs
Loi canadienne sur les sociétés par actions (art. 6)

1 Corporate name
Denomination sociale

Triumph Development HK Bradford Twin Regency Inc.

2^a The province or territory in Canada where the registered office is situated

La province ou le territoire au Canada où est situé le siège social

ON

The classes and any maximum number of shares that the corporation is authorized to issue

Categories et le nombre maximal d'actions que la société est autorisée à émettre

See attached schedule / Voir l'annexe ci-jointe

4 Restrictions on share transfers

Restrictions sur le transfert des actions

None

5 Minimum and maximum number of directors

Nombre minimal et maximal d'administrateurs

Min. 1 Max. 10

6 Restrictions on the business the corporation may carry on

Limites imposées à l'activité commerciale de la société

None

Other Provisions

Autres dispositions

None

F87 Incorporator's Declaration: I hereby certify that I am authorized to sign and submit this form.

Declaration des fondateurs J'atteste que je suis autorisé à signer et à soumettre le présent formulaire.

Name(s) - Nom(s)

Original Signed by - Original signé par

Yuerong Wang

Yuerong Wang

Yuerong Wang

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding 55000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 55 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA).

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur la protection des renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

Schedule / Annexe
Description of Classes of Shares / Description des catégories d'action

The corporation is authorized to issue an unlimited number of Class A and Class B shares with the following rights, privileges, restrictions and conditions:

1. Class A shares, without nominal or par value, the holders of which are entitled:
 - a. to vote at all meetings of shareholders except meetings at which only holders of a specified class of shares are entitled to vote; and
 - b. to receive the remaining property of the corporation upon dissolution; and
 - c. subject to the rights and privileges attaching to the Class B shares, to receive the dividends as and when declared by the board of directors of the corporation.

2. Class B shares, which shall carry the right:
 - a. to a dividend as fixed by the board of directors and
 - b. upon the liquidation or winding-up of the corporation, to repayment of the amount paid for such share (plus any declared and unpaid dividends) in priority to the Class A shares, but they shall not confer a right to any further participation in profits or assets.

The holders of Class B shares shall not be entitled to vote at meetings of shareholders except as otherwise specifically provided in the Canada Business Corporations Act.

Corporations Canada
C. D. Howe Building
235 Queen Street
Ottawa, Ontario KM OH5

Corporations Canada
Edifice C.D. Howe
235, rue Queen
Ottawa (Ontario) KM OH5

2017-06-08

Ontario Extra-provincial Registration /
L'enregistrement d'une entreprise extraprovinciale en Ontario

Triumph Development HK Bradford Twin Regency Inc.

Corporate name / Denomination sociale

1027140-3

Corporation Number / Numéro de la société

Attached is your completed registration form for Ontario. The form does not contain your Ontario Corporation Number.

Ci-joint est votre formulaire d'enregistrement rempli pour l'Ontario. Le formulaire ne contient pas votre numéro d'entreprise de l'Ontario.

The Ontario registration application has been forwarded to the Ontario Central Production and Verification Services Branch. If your application is approved, you will receive a "Notice to Clients" advising you of the corporation's new Ontario Corporation Number.

La demande d'enregistrement de l'Ontario a été envoyée à la Direction des services centraux de production et de vérification. Si votre demande est approuvée, vous recevrez un « préavis des clients » vous informant du nouveau numéro d'entreprise de l'Ontario pour la société.

If you have any questions about your Ontario registration, contact Central Production and Verification Services Branch at:
1-800-361-3223 or 416-314-8880 or
www.ontario.ca/en/business/STEL02163367.

Si vous avez des questions au sujet de l'enregistrement en Ontario, contactez la Direction des services centraux de production et de vérification :
1-800-361-3223 ou 416-314-8880 ou
www.ontario.ca/fr/business/STEL02164570.

INITIAL RETURN/ RAPPORT
 INITIAL Corporations Information
 Act/ Loi sur les renseignements
 exigés des personnes morales

FORM 2 - EXTRA PROVINCIAL CORPORATIONS/

FORMULE 2 - PERSONNES MORALES EXTRA-PRO VINCIALES

For Ministry Use Only A l'usage du ministere seulement	2. Ontario Corporation Number Numero matricule de la personne morale en Ontario	3. Date of Incorporation Date de constitution	1. Initial Return Rapport initial
		2017-06-08	Business Corporations/ Societe par actions
4. Corporation Name Including Punctuation/Raison sociale de la personne morale y compris la ponctuation Triumph Development FIX Bradford Twin Regency Inc.			For Ministry Use Only A l'usage du ministere seulement
0. Address of Registered or Head Office/Adresse du siege social 70 Regatta Avenue Richmond Hill, Ontario Canada L4E 4R1			For Ministry Use Only A l'usage du ministere seulement
4. Address of Principal Office in Ontario/Adresse du bureau principal en Ontario 70 Regatta Avenue Richmond Hill, Ontario Canada L4E 4R1			I Not Applicable/Ne s'applique pas
5. Language of Preference/Langue preferde		English/Anglais	1-7 French/Francais
6. Former Corporation Name/Raison sociale anterieure de la personne morale			H Not Applicable/Ne s'applique pas
7. Date commenced business activity in Ontario/Date de debut des activites en Ontario			2017-06-08
8. Date ceased carrying on business activity in Ontario/Date de cessation des activites en Ontario			E1 Not Applicable/Ne s'applique pas
9. Jurisdiction of Incorporation/Amalgamation or Continuation/Ressort de constitution/de fusion ou prorogation			n Canada/Canada
10. Name and Office Address of the Chief Officer/Manager in Ontario/Nom et adresse du bureau du directeur general/gerant en Ontario			ri Not Applicable/Ne s'applique pas
Date Effective/Date d'entree en vigueur			
11. Name and Office Address of Agent for Service in Ontario/Nom et adresse du bureau du mandataire aux fins de signification en Ontario			I-7 Not Applicable/Ne s'applique pas
12. Name / Nom	Person authorizing filing / Personne qui autorise l'enregistrement		
Yuerong Wang	Director		

NOTE/ Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.
 REMARQUE: Les articles 13 et 14 de la Loi stir les renseignements exigés des personnes morales prevoient des peines en cas de declaration fausse ou trompeuse, ou d'omission.

BY-LAW NO.2

**a by-law respecting the
borrowing of money and the issue of securities by**

**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.
(the "Corporation")**

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

1. Without limiting the borrowing powers of the Corporation as set forth in the *Canada Business Corporations Act* (the "Act") the Directors of the Corporation may, from time to time, without the authorization of the shareholders:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, re-issue, sell or pledge debt obligations of the Corporation, including without limitation, bonds, debentures, notes or other similar obligations of the Corporation whether secured or unsecured;
- (c) subject to Section 20 of the Act, give a guarantee on behalf of the Corporation to secure performance of any present or future indebtedness, liability or obligation of any person; and
- (d) charge, mortgage, hypothecate, pledge or otherwise create a security interest in all or any currently owned or subsequently acquired, real or personal, movable or immovable, property of the Corporation, including without limitation, book debts, rights, powers, franchises and undertakings, to secure any present or future indebtedness, liabilities or other obligations of the Corporation.

2. The board of directors may, from time to time, by resolution delegate any or all of the powers referred to in paragraph 1 of this by-law to a director, a committee of directors or one or more officers of the Corporation.

DATED this 8th day of June, 2017.

____ fe'

LU SHEN, President &
Secretary

The foregoing by-law is hereby enacted by the directors of the Corporation as evidenced by the respective signatures hereto of all of the directors of the Corporation in accordance with the provisions of the *Canada Business Corporations Act*.

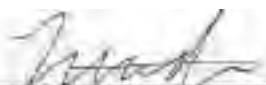
DATED this 8th day of June, 2017.



LU SHEN




YUERONG WANG



JUN CHEN

In lieu of confirmation at a general meeting of the shareholders, the foregoing by-law is hereby confirmed by all of the shareholders of the Corporation entitled to vote at a meeting of shareholders in accordance with the provisions the *Canada Business Corporations Act*.

DATED this 8th day of June, 2017.



YUERONG WANG

BY-LAW NO. 1

**A by-law relating generally to
the regulation of the business and affairs of**

**TRIUMPH DEVELOPMENT HK BRADFORD TWIN REGENCY INC.
(the "Corporation")**

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BE IT ENACTED as a by-law of this Corporation as follows:

SECTION 1 INTERPRETATION

1.1 Definitions

The terms used in this by-law and all other by-laws and resolutions of the Corporation, unless the context otherwise requires, have the same meaning as those used in the Act, except that

"Act" means the statute under which the Corporation is constituted;

"articles" means the original or restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent, a special Act and any other instrument by which the Corporation is incorporated;

"board" means the board of directors of the Corporation;

"by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;

"meeting of shareholders" includes an annual or special meeting of shareholders and a meeting of any class or classes or series of shareholders;

"non-business day" means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act of the jurisdiction which governs the Corporation, and any Act that may be substituted therefor, as from time to time amended;

"recorded address" means, in the case of a shareholder, his address as recorded in the register of shareholders, in the case of an officer, auditor or member of a committee of the board, his address as recorded in the records of the Corporation and in the case of a director, his address as recorded in the records of the Corporation or in the most recent statutory information notice filed with respect to directors, whichever is the more current; and

"signing officer" means, in relation to any instrument, any person authorized by this bylaw or by a resolution of directors to sign the same on behalf of the Corporation.

Words importing the singular number include the plural and vice versa, words importing the masculine gender include the feminine and neuter genders and words importing persons include individuals, bodies corporate, partnerships, trusts and unincorporated organizations.

1.2 Headings

The headings of sections and paragraphs in this by-law and all other by-laws and resolutions of the Corporation shall be used for convenience of reference only and shall not be referred to for the purpose of interpretation.

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SECTION 2 BUSINESS OF THE CORPORATION

2.1 Registered Office

The registered office of the Corporation shall be within the municipality designated by the articles and at such address in such municipality as is designated by the articles or until changed by resolution of the board.

2.2 Corporate Seal

The Corporation may, but need not, have a corporate seal and if one is so adopted it shall be in the form approved from time to time by the board.

2.3 Financial Year

The board may by resolution fix the financial year of the Corporation and may from time to time by resolution change the financial year of the Corporation.

2.4 Banking Arrangements

The banking business of the Corporation, or any part thereof, shall be transacted with such bank, trust company or other firm or corporation carrying on a banking business as the board may designate, appoint or authorize. All such banking business shall be transacted on behalf of the Corporation by such one or more officers or other persons as the board may designate, direct or authorize. Such banking business shall include, without restricting the generality of the foregoing, the operation of accounts of the Corporation; the making, signing, drawing, accepting, endorsing, negotiating, lodging, depositing or transferring of any cheques, promissory notes, drafts, acceptances, bills of exchange and orders for the payment of money; the giving of receipts for and orders relating to any property of the Corporation; the execution of any agreements relating to any such banking business and defining the rights and powers of the parties thereto; and the authorizing of any officer of such banker to do any act or thing on behalf of the Corporation to facilitate such banking business.

2.5 Purchase of Business as of Past Date

Where any business is bought by the Corporation as from a past date (whether such date be before or after the incorporation of the Corporation) upon terms that the Corporation shall as from that date take the profits and bear the losses of the business, such profits or losses, as the case may be, at the discretion of the board, shall be credited or debited wholly or in part to revenue account, and the amount so credited or debited, for the purpose of ascertaining the fund available for dividends, shall be treated as a profit or loss arising from the business of the Corporation.

2.6 Voting Rights in Other Bodies Corporate

Any one signing officer of the Corporation may execute and deliver forms of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights

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attaching to any securities held by the Corporation. Such forms, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers signing or arranging for them. In addition, the board may direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.7 Withholding Information from Shareholders

No shareholder shall be entitled to discovery of any information respecting any details or conduct of the business of the Corporation which, in the opinion of the board, would not be in the interests of the shareholders or the Corporation to communicate to the public. Subject to the Act, the board may determine whether and to what extent and at which time and place and under what conditions or regulations the accounts, records and documents of the Corporation or any of them shall be open to examination by shareholders and no shareholder shall have any right to examine any account, record or document of the Corporation except as conferred by the Act or authorized by the board.

SECTION 3 DIRECTORS

3.1 Number of Directors and Quorum

Until changed in accordance with the Act, the board shall consist of that number of directors as is specified in the articles, or if a minimum and maximum number of directors is specified in the articles, such number of directors (not less than such minimum number nor more than such maximum number) as the directors shall determine from time to time. A majority of such number shall constitute a quorum for the transaction of business; provided that where the Corporation has fewer than three directors, all directors must be present at any meeting to constitute a quorum. Where the Corporation has only one director, that director may constitute a meeting.

3.2 Qualification

Each director shall be 18 or more years of age and shall otherwise meet the requirements of the Act with respect to qualification but need not be a shareholder of the Corporation.

3.3 Resident Canadians

In accordance with the Act, at least 25% of the directors of the Corporation shall be resident Canadians, but if the Corporation has less than four directors, at least one director shall be a resident Canadian; provided that if the Act is amended to reduce or eliminate the Canadian residency requirement for directors, this section 3.3 shall be deemed amended to conform with the amended provisions of the Act, without further shareholder or director approval required.

3.4 Election and Term

Subject to the Act, the directors shall be elected at the first meeting of shareholders and at each succeeding annual meeting of shareholders at which an election of directors is required, for a term expiring not later than the close of the third annual meeting of shareholders following the

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election. The term of office of a director not elected for an expressly stated term shall commence at the close of the meeting of shareholders at which he is elected and shall terminate at the close of the first annual meeting of shareholders following his election. If an election of directors is not held at the proper time the incumbent directors continue in office until their successors are elected. The whole board shall be elected at each annual meeting, and all the directors then in office shall retire, but, if qualified, are eligible for re-election. The election may be by resolution of the shareholders determined by a show of hands unless a ballot is demanded or required. Any director may resign by notice in writing delivered or mailed to the Corporation at its registered office. Such resignation shall be effective on the date of receipt or the date specified in the notice, whichever is the later date. Where a director is elected for an expressly stated term or for a term which expires on the occurrence of an event, no resignation is required upon the expiration of the stated term or upon the occurrence of such event.

3.5 Calling of Meetings

Meetings of the board shall be held at such place, at such time and on such day as any director may determine. The secretary shall call meetings when directed or authorized by any director. Notice of the time and place of every meeting so called shall be sent to each director not less than 48 hours before the time when the meeting is to be held. Notice of any meeting of directors may be waived by any director. Time for such notice may be waived or abridged with the consent in writing of all the directors, whether before or after the time prescribed. No notice of a meeting is necessary if all the directors are present and consent to the holding of the meeting. No notice of the meeting at which a director is elected to fill a vacancy need be sent to such director. Unless required by the Act notice of a directors' meeting need not specify the purpose of or the business to be transacted at the meeting.

3.6 Regular Meetings

The board may appoint a day or days in any month or months for regular meetings at a place and hour to be named. A copy of any resolution of the board fixing the place and time of regular meetings of the board shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting unless specified in such resolution.

3.7 First Meeting of New Board

If a quorum of directors is present each newly elected board, without notice, may hold its first meeting for the purpose of organization and the election and appointment of officers immediately following the meeting of shareholders at which such board was elected.

3.8 Place of Meetings

Subject to the Act, meetings of the board may be held at any place and it is not necessary that in any financial year of the Corporation that a majority of the meetings of the board be held at a place within Canada.

3.9 Meetings by Telephone

A director may, if all the directors of the Corporation present at or participating in the meeting consent, participate in a meeting of directors or of a committee of directors by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in such a meeting by such means is deemed to be present at that meeting. Any such consent shall be effective whether given before or after the meeting to which it relates and may be given with respect to all meetings of the board and of committees of the board held while a director holds office.

3.10 Chairman

The chairman of the board, if such an officer has been elected and is present, otherwise the president, if a director and present, otherwise a vice-president who is a director, otherwise the managing director (if any) shall be chairman of any meeting of the board. If no such officer is present, the directors present shall choose one of their number to be chairman.

3.11 Resolution in Lieu of Meeting

A resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors, is as valid as if it had been passed at a meeting of directors. A copy of every such resolution shall be kept with the minutes of the proceedings of the directors.

3.12 Voting

Action of the board shall be authorized by the vote of a majority of the directors present at the time of the vote and entitled to vote on the question if there is a quorum present. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote.

3.13 Conflict of Interest

No director or officer shall be disqualified by reason of his office from contracting with the Corporation or an affiliate of the Corporation. Subject to the Act, no director or officer, by reason only of his office or by reason that the director is present at or is counted to determine the presence of a quorum at the meeting which authorized such contract or transaction, shall be accountable to the Corporation or to its shareholders for any profit or gain realized from a contract or transaction in which he has an interest, and such contract or transaction shall not be void or voidable by reason only of such interest; provided that, if required by the Act, a declaration and disclosure of such interest shall have been made, the director shall have refrained from voting as a director on the contract or transaction, the contract or transaction shall have been approved by the directors or by special resolution of the shareholders of the Corporation and shall have been reasonable and fair to the Corporation at the time it was approved.

3.14 Remuneration of Directors

The directors, as directors, shall be paid such remuneration, if any, as may be authorized in accordance with the provisions of the Act. Any remuneration so payable to a director who is

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also an officer or employee of the Corporation or who serves it in a professional capacity shall be in addition to his salary as such officer or employee or to his professional fees, as the case may be. In addition, the board may award special remuneration out of the funds of the Corporation to any director who performs any special work or service for, or undertakes any special mission on behalf of the Corporation outside the work or services ordinarily required of a director of the Corporation and may reimburse or agree to reimburse any director, officer or other person who has undertaken or is about to undertake any liability on behalf of the Corporation or any corporation controlled by it for any expenses incurred in connection with such undertaking and may secure any such director, officer or other person for such expenses by giving him by way of security a mortgage or charge upon all or any currently owned or subsequently acquired real or personal, movable or immovable property of the Corporation. The directors shall also be paid such sums in respect of their out-of-pocket expenses incurred in attending board, committee or shareholders' meetings or otherwise in respect of the performance by them of their duties as the board may determine.

SECTION 4 COMMITTEES

4.1 Appointment

Subject to the Act, the board may appoint from their numbers a committee of directors and may delegate to such committee any of the powers of the directors.

4.2 Proceedings of Committees

In the exercise of its duties and powers each committee appointed by the board shall conform to any regulations which may be imposed upon it by the board, and in the absence of such regulations the proceedings of any such committee shall be governed by the provisions contained in this by-law for regulating the meetings and proceedings of the board so far as the same may be applicable. Any action taken with the written approval of all members of such committee shall be as valid and effectual as if it had been approved at a meeting of that committee duly called and constituted. Each such committee shall keep minutes of its proceedings and report the same to the board.

SECTION 5 OFFICERS

5.1 Appointment

The board may appoint from their number a managing director and delegate to such managing director any of the powers of the directors. The board may appoint a chairman of the board, a president, a secretary, one or more vice-presidents (to which title may be added words indicating seniority or function), a general manager, a treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so elected or appointed. In accordance with the Act, two or more offices of the Corporation may be held by the same person.

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5.2 **Chairman of the Board**

The chairman of the board shall, if present, preside at all meetings of the board and, in the absence of the president, at all meetings of shareholders. In addition, the board may assign to him any of the powers and duties that, by any provisions of this by-law, are assigned to offices of the president and the managing director, and he shall have such other powers and duties as the board may prescribe. During the absence or disability of the chairman of the board, or if no chairman of the board has been appointed, the president shall assume all his powers and duties.

5.3 **Managing Director**

The managing director shall be the chief executive officer of the Corporation and shall have general supervision of the business and affairs of the Corporation. During the absence or disability of the president, or if no president has been appointed, the managing director shall also have the powers and duties of that office.

5.4 **President**

The president shall be the chief operating officer of the Corporation and, subject to the authority of the board, shall have general supervision of the operations of the Corporation. Except when the board has appointed a managing director or a general manager the president shall also have the powers and be charged with the duties of those offices.

5.5 **Vice-President**

During the absence or disability of the president, his duties shall be performed and his powers exercised by the vice-president or, if there are more than one, by the vice-president designated by the board or the president. A vice-president shall have such other powers and duties as the board or the president may prescribe.

5.6 **General Manager**

Subject to the authority of the board and the supervision of the president, the general manager shall have general supervision of the operations of the Corporation and the power to appoint and remove any and all employees and agents of the Corporation not elected or appointed by the board and to settle the terms of their employment and remuneration. He shall have such other duties as the board or the president may prescribe.

5.7 **Secretary**

The secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of the board and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings at such meetings. He shall give or cause to be given, as and when instructed, all notices to directors, shareholders, auditors and members of committees of the board. Subject to the Act, he shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation except when some other officer or

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agent has been appointed for that purpose. He shall have such other duties as the board or the president may prescribe.

5.8 **Treasurer**

The treasurer shall be the chief financial officer of the Corporation, shall keep proper accounting records in compliance with the Act and, under the direction of the board, shall control the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation. He shall render to the board whenever required an account of all his transactions as treasurer and of the financial position of the Corporation. He shall have such other duties as the board or the president may prescribe.

5.9 **Duties of Other Officers**

The duties of **all other officers of the Corporation shall be such as the terms of their engagement** call for or as the board or the president may prescribe. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the president otherwise directs.

5.10 **Variation of Duties**

The board may vary, add to or limit the powers and duties of any officer.

5.11 **Term of Office**

The board, at its pleasure, may remove any officer of the Corporation without prejudice to such officer's rights under any employment contract. Otherwise each officer elected or appointed by the board shall hold office until his successor is elected or appointed.

5.12 **Terms of Employment and Remuneration**

The terms of employment and the remuneration of officers elected or appointed by the board shall be settled by it from time to time.

5.13 **Agents and Attorneys**

The board shall have power to appoint agents or attorneys for the Corporation in or out of Canada with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

5.14 **Fidelity Bonds**

The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their duties, in such form and with such surety as the board may prescribe.

SECTION 6 DIVISIONS AND DEPARTMENTS

6.1 Authority to Create and Transact Business

The board may cause the business and operations of the Corporation to be divided into divisions based upon character or type of operations, geographical territories, manufactured products, method of distribution, type of product or products manufactured or distributed or upon such other basis of division as the board may determine to be advisable and may cause the business and operations of any such division to be further divided into subdivisions or departments if deemed advisable by the board and upon such basis and under such names as the board may determine. The Corporation may transact business and execute contracts under its own corporate name, or, if authorized by the board, under one or more trade names approved for such purpose in such manner as may be authorized by the board. Any division, region, department or subdivision into which any of the business or operations of the Corporation may have been divided may transact business and execute contracts and other legal documents and sign cheques and do all other acts and things necessary or appropriate for and on behalf of the Corporation under one or more trade names if approved by the board and in such manner as may be authorized by the board.

6.2 Designation and Appointment of Officers

The board may designate and appoint officers assigned to a particular division, region, department or subdivision into which any of the activities of the Corporation may be divided, with such official titles as the board may determine. Such appointed officers shall not be general officers of the Corporation except upon appointment to such additional corporate office. Such appointed officers shall serve in such respective capacities at the pleasure of **the board**.

6.3 Duties of Officers

The duties, responsibilities and limitations of the officers of divisions, regions, departments or subdivisions of the Corporation shall be such as the board may deem proper and the authority of such officers shall be limited to acts and transactions pertaining to the business which such division, region, department or subdivision is authorized to transact and perform; provided that if the same individual is elected to a general office of the Corporation, the foregoing shall not limit his acts under the general powers and duties of such general office.

SECTION 7 PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.1 Limitation of Liability

Subject to the Act, no director or officer of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by order of the board or its shareholders for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss

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or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own wilful neglect or default or by his own dishonesty.

7.2 Indemnification

The Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) **in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.**

7.3 Indemnification in Derivative Actions

The Corporation shall, with the approval of a court, indemnify a person referred to in section 7.2 in respect of an action by or on behalf of the Corporation or a body corporate of which the Corporation is or was a shareholder or creditor to procure a judgment in its favour, to which he is made a party by reason of being or having been a director or an officer of the Corporation or such body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such action if he fulfils the conditions set out in clauses 7.2(a) and/or (b) as applicable.

7.4 Right to Indemnity

A person seeking to be indemnified pursuant to either section 7.2 or 7.3 above is entitled to indemnity from the Corporation in respect of all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director **or officer of the** Corporation or a body corporate of which the Corporation is or was a shareholder or creditor, if the person seeking indemnity,

- (a) was substantially successful on the merits in his defence of the action or proceeding; and
- (b) fulfils the conditions set out in clauses 7.2(a) and (b).

The Corporation shall pay all such costs, charges and expenses as they are incurred upon receipt of an undertaking satisfactory to the Corporation by or on behalf of such person to repay such amounts if the conditions in clauses 7.4(a) and (b) above are not fulfilled and, in the case of an indemnity provided for in section 7.3 above, if the court determines such person is not entitled to be indemnified.

7.5 Insurance

Subject to the Act, the Corporation may purchase and maintain insurance for the benefit of any person referred to in section 7.2.

7.6 Income Tax

To the extent that an amount required to be indemnified under section 7.2, 7.3 or 7.4 is subject to any federal, provincial or other taxes in the hands of the recipient, such indemnified amount shall be grossed up so that the net amount received after payment of applicable federal, provincial or other taxes (calculated without regard to any permitted deductions, offsets or other benefits whatsoever that the recipient might have available to avoid or postpone actual payment of applicable federal, provincial or other taxes) is equal to such indemnified amount.

7.7 Extended Meanings of Director and Officer

The terms "director" and "officer" as used in this by-law shall have the additional meanings set out in any legislation, including the Employment Standards Act (Ontario), applicable to the Corporation.

SECTION 8 MEETINGS OF SHAREHOLDERS

8.1 Annual Meetings

Subject to the Act, the annual meeting of shareholders shall be held at such time and on such day in each year as the board may from time to time determine, for the purpose of receiving the reports and statements required by the Act to be laid before the annual meeting, electing directors, appointing auditors and fixing or authorizing the board to fix their remuneration, and for the transaction of such other business as may properly be brought before the meeting.

8.2 Special Meetings

Subject to the Act, the board may call a special meeting of shareholders at any time. All business transacted at a special meeting of shareholders and all business transacted at an annual meeting of shareholders, except consideration of the minutes of an earlier meeting, the financial statements and auditor's report, election of directors and reappointment of the incumbent auditor, shall be deemed to be special business.

8.3 **Place of Meetings**

Subject to the Act, meetings of shareholders may be held at such place as the directors may determine.

8.4 **Notices**

No public notice or advertisement of any meeting of shareholders shall be required, but notice of the time, place and purpose of each such meeting shall be sent within the time provided in the Act to each person who, at the close of business on the day next preceding the day on which notice is given or sent (or, if there is a record date for notice, at the close of business on such record date) appears on the records of the Corporation as a shareholder entitled to notice of the meeting. Each director of the Corporation and the auditor of the Corporation is entitled to receive all notices and communications relating to meetings of shareholders. A meeting of shareholders may be held without notice at any time and place permitted by the Act:

- (a) if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and
- (b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held.

At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact.

8.5 **Requisition for Shareholders Meeting**

Subject to the Act, the holders of not less than 5 per cent of the issued shares of the Corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition.

8.6 **Chairman, Secretary and Scrutineers**

The president or, in his absence, the chairman of the board, if such an officer has been appointed and is present, otherwise the managing director, if such an officer has been appointed and is present, otherwise a vice-president, if such an officer has been appointed and is present, shall be chairman of any meeting of shareholders. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. If the secretary of the Corporation is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

8.7 **Persons Entitled to be Present**

The only persons entitled to attend a meeting of shareholders shall be those entitled to vote thereat, the directors, the auditors of the Corporation and others who, although not entitled to

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vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

8.8 Quorum

The holders of simple majority of the shares entitled to vote at a meeting of shareholders present in person or by proxy constitutes a quorum for the transaction of business at any meeting of shareholders.

8.9 Right to Vote

At any meeting of shareholders every person shall be entitled to vote who, at the time of the taking of the vote, is entered on the list of shareholders prepared in connection with the meeting in accordance with the Act. Where two or more persons hold shares jointly, one of those holders present, in person or by proxy, at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons are present, in person or by proxy, they shall vote as one on the shares jointly held by them.

8.10 Proxies

Every shareholder, including a shareholder that is a body corporate, entitled to vote at a meeting of shareholders, by means of a proxy, may appoint a person, who need not be a shareholder, as his nominee to attend and act at the meeting in the manner, to the extent and with the power conferred by the proxy. Subject to the Act, the proxy may be in such form as the directors may prescribe or in such other form as the chairman of the meeting may accept as sufficient and shall be deposited with the secretary of the meeting before any vote is cast under its authority or at such earlier time and in such manner as the directors may prescribe in accordance with the Act.

8.11 Votes to Govern

At any meeting of shareholders every question shall be determined by the majority of the votes cast on the question, unless otherwise required by the Act or the articles. In case of an equality of votes either upon a show of hands or upon a ballot, the chairman of the meeting shall not be entitled to a second or casting vote.

8.12 Show of Hands

Subject to the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot is required or demanded with respect to such question. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of such question and the result of the vote so taken shall be the decision of the shareholders upon such question.

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8.13 **Ballot**

On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, the chairman may require, or any person entitled to vote on the question may demand, a ballot thereon. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. Upon a ballot each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon such question.

8.14 **Adjournment**

Subject to the Act, the chairman at a meeting of shareholders, with the consent of the meeting and subject to such conditions as the meeting may decide, may adjourn the meeting from time to time and from place to place.

8.15 **Class and Series Meetings**

Subject to the Act and the Articles, the provisions of the by-law with respect to meetings of shareholders shall apply mutatis mutandis in circumstances where shareholders of a class or a series of shares are entitled to vote separately as a class or a series.

SECTION 9 SHARES

9.1 **Allotment**

Subject to the Act and the articles, shares or options to purchase shares of the Corporation may be issued at such times, to such persons and for such consideration as the directors may determine.

9.2 **Transfer Agent and Registrar**

The board may appoint or remove a transfer agent and registrar (who may, but need not be the same individual or company) and one or more branch transfer agents and registrars (who may, but need not be the same individual or company) for the securities of the Corporation and may provide for the transfer of securities in one or more places and may provide that securities will be interchangeably transferable or otherwise.

9.3 **Registration of Transfers**

Subject to the Act, no transfer of shares shall be registered in a register of transfers or branch register of transfers except upon surrender of the certificate (if any) representing such shares and a transfer thereof duly executed by the registered holder or by his attorney or successor duly appointed, together with such assurance or evidence of signature, identification and authority to transfer as the board may prescribe, and upon payment of all applicable taxes, compliance with

such restrictions on transfer as are authorized by the articles and satisfaction of any lien provided for in the articles.

9.4 **Lien on Shares**

Subject to the Act, the Corporation has a lien on any share registered in the name of a shareholder or his legal representative for any debt of that shareholder to the Corporation. Such lien may be enforced by any means permitted by law and, without limitation:

- (a) where such share is redeemable pursuant to the articles of the Corporation by redeeming such share and applying the redemption price to the debt;
- (b) by purchasing such share for cancellation for a price equal to the book value of such share and applying the proceeds to the debt;
- (c) by prohibiting the registration of any transfer of such share until such lien has been fully satisfied;
- (d) by requiring that all dividends and other distributions payable with respect to such share be retained by the Corporation in satisfaction pro tanto of such lien; and
- (e) by requiring that such share be sold upon not less than 15 days' notice to the registered holder of such share in such manner and for such price as is specified in the resolution and that the net proceeds of such sale be applied in satisfaction pro tanto of such lien.

9.5 **Non-recognition of Trusts**

The Corporation shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to see to the execution of any trust, whether express, implied or constructive, in respect of any share or to recognize any other claim to or interest in such share on the part of any person other than the registered holder of such share, except as ordered by a court of competent jurisdiction or as required by statute.

9.6 **Share Certificates**

Every shareholder shall be entitled at his option to a share certificate or to a non-transferable written acknowledgement of his right to obtain a share certificate stating the number and class of shares held by him as shown by the books of the Corporation. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form or forms as the board shall approve and as may be permitted by the Act. Unless otherwise ordered by the board, share certificates shall be signed by the chairman of the board or the managing director or the president or a vice-president and by the secretary or an assistant secretary or the treasurer or an assistant treasurer and need not be under the corporate seal; provided that certificates representing shares in respect of which a transfer agent and registrar (which term shall include a branch transfer agent and registrar) have been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and registrar. The corporate seal of the Corporation and the signature of one of the signing officers, or in the case of share

- 16 -

certificates representing shares in respect of which a transfer agent and registrar have been appointed, the signatures of both signing officers, may be printed, engraved, lithographed or otherwise mechanically reproduced in facsimile upon share certificates and for all purposes every such facsimile signature shall be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. Share certificates so executed in facsimile shall be valid notwithstanding that one or both of the officers whose signature appears thereon no longer holds office at the date of issue or delivery of the certificate.

9.7 Replacement of Share Certificates

The board or any officer or agent designated by the board, in its or his discretion, may direct the issue of a new share certificate in lieu of and upon cancellation of a share certificate that has been mutilated or in substitution for a share certificate that has been lost, stolen or destroyed on payment of such fee as may be permitted by the Act and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may prescribe, whether generally or in any particular case.

9.8 Joint Shareholders

If 2 or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect of such share, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect of such share or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

9.9 Deceased Shareholders

Upon the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the register of shareholders with respect to such share or to make payment of any dividends on such share except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agent.

SECTION 10 DIVIDENDS AND RIGHTS

10.1 Dividends

Subject to the Act and the articles, the board may declare dividends payable to the shareholders according to their respective rights and interests in the Corporation. Any such dividend may be paid in money or property or by issuing fully paid shares of the Corporation or rights to acquire fully paid shares of the Corporation.

10.2 Dividend Cheques

A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by ordinary mail, postage prepaid, to such registered holder at his

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address appearing on the register of shareholders, unless such holder otherwise directs. In the case of joint holders, unless such joint holders otherwise direct, the cheque shall be made payable to the order of all of such joint holders and mailed to them at the address appearing on the register of shareholders in respect of such joint holding, or to the first address so appearing if there are more than one. The mailing of such cheque as aforesaid, unless it is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

10.3 Non-receipt of Dividend

In the event of non-receipt of any dividend by the person to whom it is sent the Corporation may issue to such person a replacement dividend for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may prescribe, whether generally or in any particular case.

10.4 Unclaimed Dividends - Interest

Any dividend unclaimed after a period of 6 years from the date on which it was declared to be payable shall be forfeited and shall revert to the Corporation. No dividend shall bear interest as against the Corporation.

SECTION 11 NOTICES

11.1 Method of Giving Notices

Any notice (which term includes any communication or document) to be given, sent, delivered, mailed or served pursuant to the Act, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently dispatched if delivered personally to the person to whom it is to be sent or if delivered to his recorded address or if mailed to him at his recorded address by prepaid air or ordinary mail, or if sent to him at his recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been sent when it is delivered personally or at the recorded address as aforesaid. A notice so mailed shall be deemed to have been sent when deposited in a post office or public letter box. A notice dispatched by any means of transmitted or recorded communication shall be deemed to have been sent when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The secretary may change or cause to be changed the recorded address of any shareholder, director, officer or auditor in accordance with any information believed by him to be reliable. If any notice sent to a shareholder is returned on three consecutive occasions because the shareholder cannot be found, the Corporation shall not be required to send any further notices to such shareholder until he informs the Corporation in writing of his new address.

11.2 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, notice to one of such persons shall be sufficient notice to all of them. Any notice shall be addressed to all of such joint holders

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and the address to be used for the purposes of section 11.1 shall be the address appearing on the register of shareholders in respect of such joint holding, or the first address so appearing if there are more than one.

11.3 Computation of Time

In computing the date when notice must be given under any provision requiring a specified number of days' notice of any meeting or other event, the date of sending the notice shall be excluded and the date of the meeting or other event shall be excluded.

11.4 Omissions and Errors

The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board, or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

11.5 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which shall have been duly given to a person from whom he derives his title to such share previously to his name and address being entered on the register of shareholders, whether such notice was given before or after the happening of the event upon which he became so entitled.

11.6 Waiver of Notice

Any shareholder (or his duly appointed proxyholder), director, officer, auditor or member of a committee of the board may waive any notice required to be given to him under any provision of the Act, the articles, the by-laws or otherwise and such waiver, whether given before or after the meeting or other event of which notice is required to be given, shall cure any default in giving such notice.

SECTION 12 EXECUTION OF DOCUMENTS

12.1 Signing Officers

Deeds, transfers, assignments, contracts and obligations of the Corporation shall be signed by YueRong Wang. Notwithstanding this, the board may at any time and from time to time direct the manner in which and the person or persons by whom any particular deed, transfer, contract or obligation or any class of deeds, transfers, contracts or obligations may be signed.

SECTION 13
EFFECTIVE DATE

13.1 Effective Date

This by-law shall come into force when enacted by the directors, subject to the provisions of the Act.

DATED this 8th day of June, 2017.



LU SHEN, President & Secretary

The foregoing by-law is hereby enacted by the directors of the Corporation as evidenced by the respective signatures hereto of all of the directors of the Corporation in accordance with the provisions of the *Canada Business Corporations Act*.


DATED this 8th day of June, 2017.



LU SHEN



YUERONG WANG



JUN CHEN

In lieu of confirmation at a general meeting of the shareholders, the foregoing by-law is hereby confirmed by all of the shareholders of the Corporation entitled to vote at a meeting of shareholders in accordance with the provisions the *Canada Business Corporations Act*.

DATED this 8th day of June, 2017.



YUERONG WANG

RESOLUTIONS OF THE BOARD OF SHAREHOLDERS

OF

Triumph Development HK Bradford Twin Regency Inc.

(The "Corporation")

WHEREAS the Corporation has been incorporated under the Canada Business Corporations Act effective June 08, 2017; Corporation By-law and a Certificated of Incorporation bearing that date has been approved.

APPOINTMENT OF OFFICERS

RESOLVED that JUNEJA, HAESH is hereby appointed as president of the Corporation, JUNEJA, HAESH is hereby appointed as President of the Corporation to hold the said offices during the pleasure of the Board.

ISSUE OF SHARES

On the date hereof, the registered and beneficial shareholders of the Corporation are:

<u>Name</u>	<u>Number of Shares</u>
-------------	-------------------------

WANG, Yuerong	100
---------------	------------

There are no other issued and outstanding shares of the Corporation

WITNESS the corporate seal of the Corporation this _____ day of _____, 2019

a g ; ¹ 1 0 _____
 Name: WANG, Yuerong?
 Title:

Triumph Development HK Bradford Twin Regency Inc.

I, the undersigned, being the Director of the Company, hereby consent to and adopt in writing the following resolutions:

Whereas:

A. It is in the interest of the Company to carry on banking activities with CTBC Bank Corp. (Canada)("CTBC");

And

B. It is expedient for the Company to appoint trusted individuals to be authorized signatories on behalf of the Company in connection with the Company's banking activities with CTBC;

BE IT RESOLVED THAT:

1. CTBC be appointed as a banker for the Company
2. The following individuals are hereby authorized to sign and deliver documents and to conduct all aspects of the Company 's banking activities business with CTBC on behalf of the company.



0. In the absence of any written agreement to the contrary, these resolutions shall apply to all accounts subsequently opened with CTBC by or on behalf of the Company and shall remain in effect and be irrevocable until a resolution repealing these resolution has been passed and a copy thereof certified by a director or officer of the Company has been delivered to CTBC.

The Member's resolutions of the Company is dated the September 24, 2019



APPENDIX Q

Cerrato, Gary

Subject: FW: [EXT] FW: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario
Attachments: Shareholders Register - 10853828 Canada Inc.pdf

From: Paul Hancock <phancock@dv-law.com>
Sent: October 3, 2022 11:01 AM
To: Dominique Michaud <dmichaud@robapp.com>
Cc: Anisha Samat <asamat@robapp.com>
Subject: RE: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario

CAUTION: External e-mail.

Hi Dom,

Please find attached my responses below in [blue](#).

Regards,

Paul Hancock
Associate Lawyer
Direct: 416-597-6824
phancock@dv-law.com



Daoust Vukovich LLP

20 Queen Street West, Suite 3000, Toronto, ON, M5H 3R3, Canada

M: 416-597-6888 • F: 416-597-8897

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From: Dominique Michaud <dmichaud@robapp.com>
Sent: Wednesday, September 28, 2022 4:36 PM
To: Paul Hancock <phancock@dv-law.com>
Cc: Anisha Samat <asamat@robapp.com>
Subject: RE: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Paul:

As you know we are in the process of completing our lien analysis. As part of this exercise, a couple of questions have arisen in respect of the 10853828 Canada Inc. ("108co") lien claim that I hope you could answer. The questions are:

1. Paras. 6 and 7 state that 108co took an assignment of the agreement Montanaro Project Management Professionals Inc. ("Montanaro"). Can you please provide the document where the Montanaro contract was assigned? PH: The assignment was not reduced to writing. The evidence of the assignment is set out at paragraphs 5 to 8 of Mehdi Shafiei's September 8, 2022, affidavit, as well as the correspondence/invoices between Triumph and 108co.
2. Para. 17 of the Debtor's statement of defence alleges that Yuerong Wang ("Wang") was a shareholder or Montanaro pursuant to a unanimous shareholders agreement (the "USA"). Is this correct and if so can you please provide the Receiver a copy of the USA. PH: My client, Mehdi Shafiei, does not recall ever signing a USA regarding Montanaro. Wang was a director of Montanaro, but did not have any shares or interest in Montanaro. My client does not believe he has the minute book et cetera for Montanaro (he has been unable to locate same in his records).
3. Please confirm whether any individual related to the debtor company retained any ownership interest (both legal or beneficial) in 108 co. I understand that this is not the case but would like to confirm in advance of the Receiver delivering its report. PH: No individual related to the debtor company had any ownership (legal or beneficial) in 108 co. Mehdi Shafiei is and always has been the sole shareholder of 108. Please find attached the shareholder register for 108.

Please let me know if you have any questions.

Dom



From: Anisha Samat <asamat@robapp.com>

Sent: September 26, 2022 10:42 AM

To: phancock@dv-law.com

Cc: Dominique Michaud <dmichaud@robapp.com>

Subject: RE: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario

Paul:

By way of introduction, I am assisting Dom with this file.

Further to your discussions with Dom, please find attached a letter we received from CTBC's counsel requesting further documentation for the 108 and Delbrook Liens. While we acknowledge that you have provided us some of the documents requested, please take a read-through and provide us with any additional documents that may still be outstanding. In the event that you/your clients are unwilling to provide us with any of the documents requested, please let us know your position and reasons.

As the Receiver's motion materials for the upcoming Motion for Directions are due next week, please provide us with any outstanding documents by Monday, October 3rd. If you have any questions please feel free to reach out.

Thanks in advance,



Anisha Samat

Litigation Lawyer

T. 416.360.3728

E. asamat@robapp.com

ROBINS APPLEBY

BARRISTERS + SOLICITORS

From: Melina Florez <MFlorez@dv-law.com>

Sent: August 19, 2022 3:37 PM

To: Dominique Michaud <dmichaud@robapp.com>

Cc: Paul Hancock <phancock@dv-law.com>

Subject: Triumph Development HK Bradford Twin Regency Inc. -2362 Line 8, Bradford West Gwillimbury, Ontario

CAUTION: External e-mail.

Good afternoon,

Please find attached correspondence from Mr. Hancock dated August 19, 2022, with respect to the above-noted matter.

Please also find the dropbox link below for all the tabs referenced in the attached letter.

<https://www.dropbox.com/sh/qq52q5qf3y2pb6f/AAB0cuB5CE74GuRFwG46MdqYa?dl=0>

Kind regards,

Melina Florez

Litigation Legal Assistant

Direct: (416) 598-7053

mflorez@dv-law.com



Daoust Vukovich LLP

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**PRUDENT EXCELLENCE
MORTGAGE INVESTMENT
CORPORATION**

- and-

**TRIUMPH DEVELOPMENT HK
BRADFORD TWIN REGENCY
INC.**

Applicant

Respondent

Court File No.: CV-22-00677227-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

PROCEEDING COMMENCED AT TORONTO

**MOTION RECORD OF THE RECEIVER,
BDO CANADA LIMITED**

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

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Anisha Samat LSO No. 82342Q

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Tel: (416) 360-3728

Lawyers for the Receiver, BDO Canada Limited