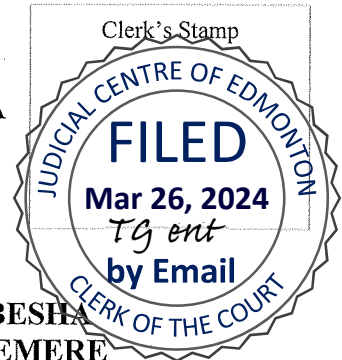


COURT FILE NUMBER 2403 05996  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF ROYAL BANK OF CANADA  
DEFENDANTS **BEREKET & G HOLDINGS CORP., HABESHIA  
AFRICAN SUPERMARKET LTD., and SEMERE  
BERHANE**  
DOCUMENT **AFFIDAVIT IN SUPPORT OF RECEIVER  
AND MANAGER**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION  
OF PARTY FILING  
THIS DOCUMENT

Jack R. Maslen / Myles Fish  
Borden Ladner Gervais LLP  
1900, 520 3<sup>rd</sup> Ave. S.W.  
Calgary, AB T2P 0R3  
Telephone: (403) 232-9790 / 9764  
Facsimile: (403) 266-1395  
Email: jmaslen@blg.com / mfish@blg.com  
File No. 404600.001199



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**AFFIDAVIT OF JESSICA CHOCHAN**

**SWORN ON MARCH 25, 2024**

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I, **JASDEEP (JESSICA) CHOCHAN**, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am a Senior Manager in the Special Loans and Advisory Services group for the Plaintiff/Applicant, Royal Bank of Canada ("RBC"). I am presently responsible for the administration of the within account. As such, I have personal knowledge of the matters and facts hereinafter sworn to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.
2. I make this Affidavit in support of an Application to, among other things, appoint BDO Canada Limited ("BDO") as receiver and manager, without security (in such capacity, the "Receiver"), over all of the current and future assets, undertakings and properties of the Defendant Bereket & G

Holdings Corp. (the “**Property**”). The Property includes a commercial/retail building in Edmonton, as outlined below.

3. I am authorized to make this Affidavit on behalf of RBC.

**I. THE PARTIES**

*Royal Bank of Canada*

4. RBC is a chartered bank incorporated under the *Bank Act*, SC 1991, c 46, Schedule I, which is extra-provincially registered to carry on business in the Province of Alberta, with branches located in the City of Edmonton and elsewhere throughout the Province of Alberta and Canada.

*The Defendants*

5. Based on my review of corporate registry searches, I understand that the Defendant, Bereket & G Holdings Corp. (“**Bereket**”), was a corporation incorporated pursuant to the laws of the Province of Alberta, with its registered office in Edmonton, Alberta. I understand that Bereket was struck from the Alberta corporate registry on or about November 2, 2023 for failing to file annual returns. Attached hereto and marked as **Exhibit “A”** is a copy of an Alberta Corporate Registry search result for Bereket dated February 27, 2024.
6. Bereket is the registered owner of lands legally described as:

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and municipally described as 10418 107 Ave NW, Edmonton, Alberta, T5H 0W1 (the “**Lands**”).

7. The Lands comprise a two-storey commercial/retail building with two tenants that operate a supermarket and barbershop, respectively. Based on documentation previously provided to RBC

by Bereket, I understand that the building has a net leasable space of about 15,400 square feet and that the improvements were constructed in 1976. Bereket has given a mortgage over the Lands to RBC as security for a loan, as detailed below.

8. The Defendant, Habesha African Supermarket Ltd. ("**Habesha**"), is a corporation incorporated pursuant to the laws of the Province of Alberta, with its registered office in Edmonton, Alberta. Habesha operates the supermarket situated on the Lands, which is named the "Habesha African Market".
9. The Defendant Semere Berhane ("**Berhane**"), to the best of my knowledge, is an individual residing in Edmonton, Alberta. He is the sole director and sole shareholder of both Bereket and Habesha. Thus, Berhane, Bereket and Habesha are all related parties (collectively, the "**Defendants**"). Further, as more fully detailed below, both Berhane and Habesha are guarantors of indebtedness owed by Bereket to RBC.

## II. LOAN AND THE SECURITY

### *The Loan to Bereket and the Bereket Security*

10. Pursuant to a credit agreement dated on or about January 22, 2018, as amended from time to time, RBC advanced, among other things, a non-revolving term loan facility (the "**Loan**") in the principal amount of \$2,812,500.00, with a fixed interest rate of 4.85% per annum, payable monthly, until maturity on March 6, 2023 (the "**Loan Agreement**").
11. Among other things, the Loan Agreement provides that: (i) the term of the Loan shall be five years; and (ii) the balance of the Loan shall be due and payable in full upon maturity. Attached hereto and marked as **Exhibit "B"** is a copy of the Loan Agreement and associated forms.
12. Around the time of the original maturity date of the Loan, being March 6, 2023, RBC agreed to renew the term of the Loan for a further 12 months such that the Loan would mature on March 6, 2024 (the "**Maturity Date**") (the "**Loan Amending Agreement**"). Pursuant to this Loan Amending Agreement, the principal was confirmed to be \$2,552,046.05 and the interest rate was amended to a fixed interest rate of 7.51% per annum. Attached hereto and marked as **Exhibit "C"** is a copy of the Loan Amending Agreement.
13. The Loan Amending Agreement further provides that, among other things, the following would constitute events of default under the Loan, entitling RBC to demand immediate repayment in full

of any amounts outstanding under the Loan, together with accrued interest and any other indebtedness, and to realize on related security:

- (a) Failure of Bereket to pay any principal, interest or other amount when due;
  - (b) Bereket or any guarantor of the Loan being unable to pay its debts as they become due;
  - (c) Failure of Bereket or any guarantor of the Loan to observe any covenant, term, condition or provision of the Loan Agreement or any security;
  - (d) If, in RBC's opinion, there is a material adverse change in the financial condition, ownership structure, composition or operation of Bereket or any guarantor of the Loan; and
  - (e) If Bereket or any guarantor of the Loan defaults in the payment of any other indebtedness owing to RBC or any other party.
14. The Loan Agreement and the Loan Amending Agreement are sometimes hereafter collectively referred to as the "**Loan Agreement**".
15. As security for the Loan, Bereket provided, among other things, the following:
- (a) a first-ranking Collateral Mortgage, dated January 22, 2018, in the principal amount of \$3,750,000.00, which encumbers, mortgages and charges the Lands in favour of RBC as security for the Loan (the "**Mortgage**"). Attached hereto and marked as **Exhibit "D"** is a true copy of the Mortgage;
  - (b) a first-ranking Assignment of Rents, dated January 22, 2018, which assigns to RBC all rents reserved and payable in respect of the Lands as security for the Loan or Mortgage (the "**Assignment**"). Attached hereto and marked as **Exhibit "E"** is a true copy of the Assignment; and
  - (c) a first-ranking General Security Agreement dated January 22, 2018 (the "**GSA**") pursuant to which Bereket granted to RBC, *inter alia*, a security interest in all of Bereket's present and after-acquired personal property and proceeds therefrom, and a mortgage and charge as and by way of a floating charge over all of Bereket's real property interests. Attached hereto and marked as **Exhibit "F"** is a true copy of the GSA.

16. The Mortgage, the Assignment and the GSA are collectively referred to herein as the “**Bereket Security**”.
17. Among other things, the Mortgage provides that:
  - (a) the Mortgage was given as general and continuing collateral security to secure payment of all indebtedness, liabilities, and obligations owed to RBC [ss. 1-2];
  - (b) Bereket agreed to pay to RBC all indebtedness, liabilities and obligations arising under the Loan in the manner agreed to thereunder [s. 2];
  - (c) Bereket agreed to pay when due all taxes, levies and assessments which may become charges or claims against the Lands [s. 6(b)];
  - (d) Bereket would not grant, create or suffer to exist any lien or other encumbrance against the Lands [s. 6(h)];
  - (e) In the event of (i) a default of payment due under the Loan, or (ii) a breach or default of the Loan Agreement or the Mortgage then, among other things:
    - (i) The whole of the indebtedness, liabilities and obligations arising under the Loan, including principal, interest and other chargeable costs, is, at RBC’s option, immediately due and payable [s. 8(a)];
    - (ii) RBC is entitled to enter onto the Lands and may collect the rents and profits therefrom, and lease or sell the Lands [s. 8(b)];
    - (iii) RBC may take foreclosure or foreclosure and sale proceedings in respect of the Lands [s. 8(c)]; and
    - (iv) RBC may appoint a receiver of the Lands and of the income thereof and such receiver shall, as agent of RBC, have the power to demand, recover and receive all the income of the Lands [s. 8(e)]; and
  - (f) Bereket agreed to pay the fees, charges, costs, and expenses, including all legal fees on a solicitor and its own client basis, for anything done by RBC in connection with the enforcement of the Mortgage or any other security in connection with the Loan [s. 10].

18. RBC duly registered its security interest pursuant to the Mortgage and the Assignment on the certificates of titles to the Lands on February 5, 2018, as Instrument No. 182 032 296 and Instrument No. 182 032 297, respectively. Attached hereto and marked as **Exhibit "G"** are true copies of the Certificates of Title for the Lands dated February 27, 2024.
19. Similar to the Mortgage, upon a default by Bereket under the terms of the Bereket GSA, RBC is entitled to, among other things, (i) appoint a receiver to take possession of, preserve, and realize upon the collateral, and (ii) recover payment of all costs, charges and expenses incurred by RBC or its receiver in enforcing the GSA on a solicitor and its own client basis.
20. RBC duly registered its security interest under the GSA with the Alberta Personal Property Registry ("**PPR**") as a first charge. Attached hereto and marked as **Exhibit "H"** is a true copy of a PPR search report for Bereket dated February 27, 2024.

#### *Guarantees and Additional Security*

21. As yet further security for the Loan and Mortgage, Bereket also obtained joint and several Guarantees and Postponements of Claims from each of Habesha and Berhane dated January 22, 2018, whereby they each guaranteed the Loan and Mortgage indebtedness (collectively, the "**Guarantees**" and each a "**Guarantee**").
22. The Guarantees limited each of Habesha and Berhane's liability for amounts owing under the Loan and Mortgage to the principal sum of \$2,812,500.00 plus interest on such principal sum computed from the date of demand at a rate equal to RBC's prime interest rate plus 5% per annum, and all legal costs incurred by RBC in enforcing the Guarantees. Attached hereto and marked as **Exhibits "I"** and "**J"** are true copies of Habesha's and Berhane's Guarantees, respectively.
23. Further, Habesha executed a first-ranking general security agreement (the "**Habesha GSA**"), as security for its obligations to RBC under the Guarantee. Pursuant to the Habesha GSA, Habesha granted to RBC a security interest in all of its present and after-acquired personal property and proceeds therefrom, and all accretions thereto and substitutions therefor. Attached hereto and marked as **Exhibit "K"** is a true copy of the Habesha GSA.
24. RBC duly registered its security interest under the Habesha GSA with the PPR as a first charge. Attached hereto and marked as **Exhibit "L"** is a true copy of the PPR search report for Habesha dated February 27, 2024.

### III. DEFAULTS AND DEMANDS

25. Although RBC repeatedly advised Bereket it would require repayment of the Loan in full by the maturity date of March 6, 2024, Bereket did not repay the Loan in full on March 6, 2024, or at all.
26. Consequently, on March 13, 2024, RBC (through its legal counsel) issued to Bereket a demand for payment of the whole of the indebtedness owing under the Loan, in the amount of \$2,534,212.80, plus interest, legal fees and other chargeable costs continuing to accrue (the "**Demand**"), and a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), in respect of the Bereket Security (the "**NOI**"). Attached hereto and marked as **Exhibit "M"** is a copy of the Demand and the NOI.
27. Further, on March 13, 2024, RBC also issued to Habesha and Berhane demands for payment pursuant to the terms of the Guarantees (collectively, the "**Guarantors Demands**"), as well as a Notice of Intention to Enforce Security to Habesha pursuant to Section 244 of the *BIA* in respect of the Habesha Guarantee and the Habesha GSA (the "**Habesha NOI**"). Attached hereto and marked as **Exhibit "N"** are copies of the Guarantors Demands and Habesha NOI.
28. The Demand and Guarantors Demands gave the Defendants, as applicable, 10 days to pay the Loan in full, being on or before March 23, 2024.
29. Notwithstanding the Demand and NOI, and the Guarantors Demands and Habesha NOI, the Defendants have failed to pay the amounts owing. Accordingly, Bereket has defaulted on its obligations under the Loan and Bereket Security. Similarly, Habesha has defaulted on its obligations under its Guarantee and the Habesha GSA.
30. Further, RBC has become aware of numerous other defaults by Bereket and Habesha under their respective loan and/or security agreements with RBC. In particular:
  - (a) Bereket has failed to pay municipal property taxes in relation to the Lands when due and owing (the "**Tax Arrears**"). Attached hereto and marked as **Exhibit "O"** is a copy of a City of Edmonton Property Tax Search dated March 4, 2024 showing 2023 arrears and penalties of \$35,310.37 owing by Bereket in relation to the Lands;
  - (b) Bereket has allowed itself to be struck from the Alberta corporate registry on account of it failing to file annual returns as required, as evidenced by the corporate registry search results found at **Exhibit "A"**;

- (c) Habesha, as guarantor of Bereket's liabilities, has failed to pay amounts owing by it to the Alberta Workers' Compensation Board (the "WCB"), as evidenced by correspondence received by RBC on January 31, 2024 and attached hereto and marked as **Exhibit "P"** (the "WCB Demand") and the PPR search results found at **Exhibit "L"**;
  - (d) Berhane, as guarantor of Bereket's liabilities, has allowed a judgment against him personally, in favour of TD Bank, in the approximate amount of \$43,880.88 as at January 16, 2024, as evidenced by the Default Judgment filed against him in Alberta Court of King's Bench Action No. 2303-20858 (the "**Berhane Judgment**"). Attached hereto and marked as **Exhibit "Q"** is a true copy of the Default Judgment. A PPR search report in respect of Berhane dated February 27, 2024 is attached hereto and marked as **Exhibit "R"**, which shows an outstanding writ of enforcement in respect of the Berhane Judgment on pages 7-8; and finally,
  - (e) based on the information provided to RBC by Berhane, the only other tenant of Bereket (in addition to Habesha) on the Lands is the company 1696024 Alberta Ltd. ("**169**"), which operates a barbershop. Like Habesha, Berhane is the sole director and sole shareholder of 169. However, like Bereket, 169 has been struck from the Alberta corporate registry on account of it failing to file annual returns as required. Attached hereto and marked as **Exhibit "S"** are the corporate registry search results for 169 dated March 21, 2024.
31. As of March 21, 2024, the total amount owing under the Loan and applicable security to RBC is \$2,541,471.04, with interest, legal fees and other chargeable costs continuing to accrue thereon (the "**Indebtedness**"). Attached hereto and marked as **Exhibit "T"** is a copy of RBC's payout statement dated March 21, 2024.

#### IV. **NEED FOR A RECEIVER OVER BEREKET**

32. In light of the foregoing, RBC seeks the appointment of the Receiver in respect of the Property. Among other things, I note that:
- (a) RBC is a first-ranking secured lender of Bereket, has contractual rights to appoint a receiver under the Mortgage and the GSA, and is contractually entitled to exercise such rights as a result of, *inter alia*, Bereket's failure to repay the Loan upon maturity;
  - (b) Bereket is insolvent, given that it has failed repay the Loan, which is now due, owing, and outstanding. Additionally, Bereket has demonstrated an inability to pay its obligations




generally, as a result of its non-payment of municipal property taxes. Moreover, Bereket's financial statements for the year-ended April 30, 2023 (which were only provided to RBC in February 2024), indicate Bereket is also insolvent on a balance sheet basis. Attached hereto and marked as **Exhibit "U"** is a copy of the Bereket Financial Information for the Year Ended April 30, 2023 report compiled by Jaberson & Associates Professional Tax Advisor;

- (c) RBC has lost faith and confidence in the management of Bereket to prudently or adequately protect RBC's first-ranking security interest in the Property. Specifically, Berhane is the mind and management of Bereket. Berhane has allowed charges and/or potential levies to be made against Bereket's Property by failing to pay property taxes, and has allowed Bereket to be struck by the Corporate Registry. Further, Berhane, as mind and management of Habesha, has allowed the WCB Demand to be registered against Habesha, and Berhane has allowed the Berhane Judgment and associated writ to be issued against him personally. The Berhane Judgment, in particular, may allow TD Bank to indirectly take control of Bereket through a seizure of Berhane's shares in the entity. All of these recent circumstances call into serious doubt Berhane's ability to protect RBC's interests, and pose a serious risk to RBC's position as first-ranking secured creditor and necessitate the appointment of an independent court officer;
- (d) Because RBC's security in respect of Bereket comprises both real and personal property, and because the Lands continue to have tenants (albeit related to Bereket), a receivership over all of Bereket's Property is the most efficient and streamlined way for RBC to realize upon its first-ranking security; and
- (e) Lastly, although RBC's Special Loans and Advisory Services group sometimes prefers to work with (and try to rehabilitate) corporate borrowers that experience financial distress, rather than seek a receiver, RBC is not prepared to do so in the present matter. In this regard it is relevant that previously, in or around 2018 and 2019, Bereket defaulted on the Loan and security by failing to pay municipal property taxes and allowing a builders' lien to be registered against the Lands. At that time, RBC did not enforce its security but sought to work with Bereket. Given that the Loan is once more in default and has now matured, together with all the other recent events as detailed herein, RBC considers it is now necessary to take proceedings to protect its position.

- 33. In short, I do verily believe that a Receiver is just and convenient and necessary to prevent further risk, loss and/or prejudice to RBC. BDO has consented to act as receiver and manager in respect of the Property, is a licensed insolvency trustee, and has considerable experience in such matters.
- 34. Although RBC is not seeking the appointment of a receiver over Habesha's property at this time, RBC reserves all of its right to do so in future, when and if circumstances change or RBC otherwise considers such steps necessary or prudent.
- 35. I make this Affidavit in support of an application by RBC for an Order appointing BDO as the Receiver of the Property, and for no other purpose.

SWORN BEFORE ME at Calgary, Alberta, this )  
25<sup>th</sup> day of March, 2024. )

  
\_\_\_\_\_)  
A Commissioner for Oaths in and for Alberta )

  
\_\_\_\_\_)  
JASDEEP (JESSICA) CHOCHAN )

**GUSTAVO DA ROZA**  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public

**This is Exhibit "A" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/02/27  
 Time of Search: 01:51 PM  
 Search provided by: BORDEN LADNER GERVAIS LLP  
 Service Request Number: 41563552  
 Customer Reference Number: 444689.01

Corporate Access Number: 2017511771  
 Business Number: 728905894  
 Legal Entity Name: BEREKET & G HOLDINGS CORP.

### Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
HABESHA AFRICAN GROCERY & SUPERMARKET LTD.	2014/07/10

Legal Entity Status: Struck  
 Struck Off Date: 2023/11/02  
 Alberta Corporation Type: Named Alberta Corporation  
 Registration Date: 2013/05/28 YYYY/MM/DD

### Registered Office:

Street: 2433 SAN FORTUNATO ST NW  
 City: EDMONTON  
 Province: ALBERTA  
 Postal Code: T5E5V3

### Records Address:

Street: 2433 SAN FORTUNATO ST NW  
 City: EDMONTON  
 Province: ALBERTA  
 Postal Code: T5E5V3

Email Address: HABESHAYEG@GMAIL.COM

### Directors:

Last Name: BERHANE  
 First Name: SEMERE  
 Street/Box Number: 2433 SAN FORTUNATO NW  
 City: EDMONTON

**Province:** ALBERTA  
**Postal Code:** T5E5V3

**Voting Shareholders:**

**Last Name:** BERHANE  
**First Name:** SEMERE  
**Street:** 2433 SAN FORTUNATO ST NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T5E5V3  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** SEE SCHEDULE A ATTACHED  
**Share Transfers Restrictions:** NO SHARES SHALL BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED WITHOUT THE CONSENT OF THE DIRECTORS.  
**Min Number Of Directors:** 1  
**Max Number Of Directors:** 20  
**Business Restricted To:** NONE  
**Business Restricted From:** NONE  
**Other Provisions:** SEE SCHEDULE B ATTACHED

**Associated Registrations under the Partnership Act:**

Trade Partner Name	Registration Number
HABESHA AFRICAN GROCERY AND SUPERMARKET	TN20426417

**Other Information:**

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2021	2021/09/13

**Outstanding Returns:**

Annual returns are outstanding for the 2023, 2022 file year(s).

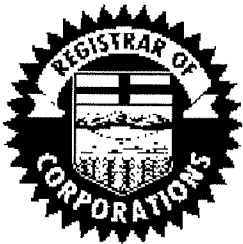
**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2013/05/28	Incorporate Alberta Corporation
2013/05/28	Change Director / Shareholder
2014/07/10	Name Change Alberta Corporation
2020/02/21	Update BN
2021/09/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2023/01/06	Change Address
2023/07/02	Status Changed to Start for Failure to File Annual Returns
2023/11/02	Status Changed to Struck for Failure to File Annual Returns

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2013/05/28
Other Rules or Provisions	ELECTRONIC	2013/05/28

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



**This is Exhibit "B" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

**ROYAL BANK OF CANADA CREDIT AGREEMENT**

DATE: January 11, 2018

<b>BORROWER:</b>	
<b>BEREKET &amp; G HOLDINGS CORP.</b>	
<b>ADDRESS (Street, City/Town, Province, Postal Code)</b>	
101 10301 109 Street Edmonton, Alberta T5J 1N4	
<b>SRF:</b>	<b>579114638</b>

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned (the "Borrower") the following credit facilities (the "Credit Facilities"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "Agreement"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

**CREDIT FACILITIES**

**Facility #1** Term loan facility (non-revolving) in the amount of \$2,812,500.00 available by way of:

- a) **Variable rate term loan.** Repayable by consecutive monthly blended payments, to be determined at drawdown, including interest, based on a 300 month amortization (payment amount subject to annual adjustments to ensure amortization). First payment is due 30 days from drawdown. This loan has a 12 month term and all outstanding principal and interest is payable in full at the end of the term. Interest rate: to be determined at time of Borrowing.
- b) **Fixed rate term loan.** Repayable by consecutive monthly blended payments, to be determined at drawdown, including interest, based on a 300 month amortization. First payment is due 30 days from drawdown. This loan has a 12, 24, 36, 48, or 60 month term from drawdown as selected by the Borrower and all outstanding principal and interest is payable in full at the end of the term. Interest rate: to be determined at time of Borrowing based on the term selected by the Borrower. Amount eligible for prepayment is NIL.

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Form 477 Borrowing Request attached hereto, provided by the Borrower and accepted by the Bank.

**SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank (collectively, the "Security"), shall include:

- a) General security agreement – floating charge on land on the Bank's form 923 signed by the Borrower constituting a first floating charge on all present and after-acquired real property of the Borrower and a first ranking security interest in all personal property of the Borrower, located at, used in connection with or arising from property located at 10709 105 Street NW, Edmonton, Alberta;
- b) Assignment of rents signed by the Borrower constituting a first ranking assignment of all rents arising from the lands and improvements located at 10709 105 Street NW, Edmonton, Alberta;
- c) Collateral mortgage in the amount of \$3,750,000.00 signed by the Borrower constituting a first fixed charge on the lands and improvements located at 10709 105 Street NW, Edmonton, Alberta;
- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,812,500.00 signed by Semere Tesfamichael Berhane;
- e) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,812,500.00 signed by Habesha African Supermarket Ltd., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of Habesha African Supermarket Ltd.;
- f) Priority agreement between the Bank, the Borrower and KV Capital Inc.

<sup>^</sup> Registered trademark of Royal Bank of Canada.



## FEES

### Renewal Fee:

If the Bank renews or extends any term facility or term loan beyond its maturity date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

## FINANCIAL COVENANTS

In the event that the Borrower or Habesha African Supermarket Ltd. changes accounting standards, accounting principles and/or the application of accounting principles during the term of this Agreement, all financial covenants shall be calculated using the accounting standards and principles applicable at the time this Agreement was entered into.

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower will:

- a) maintain on a combined basis for the Borrower and Habesha African Supermarket Ltd., to be measured at the end of each fiscal year:
  - i) Debt Service Coverage of not less than 1.25:1;
  - ii) A ratio of Total Liabilities to Tangible Net Worth of not greater than 3:1.

## REPORTING REQUIREMENTS

The Borrower will provide to the Bank:

- a) Annual review engagement financial statements for each of the Borrower and Habesha African Supermarket Ltd., within 90 days of each fiscal year end;
- b) Annual notice to reader combined financial statements for the Borrower and Habesha African Supermarket Ltd., within 90 days of each fiscal year end;
- c) Biennial personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every second fiscal year of the Borrower, commencing with the fiscal year ending in 2019;
- d) Such other financial and operating statements and reports as and when the Bank may reasonably require.

## OTHER INFORMATION/REQUIREMENTS

- a) In place of the definition of "Debt Service Coverage" contained in "Form 472 (10/2017) Royal Bank of Canada Credit Agreement - Standard Terms" forming part of this Agreement, for the purpose of this Agreement:
  - the term "Debt Service Coverage" shall have the following meaning:

"Debt Service Coverage" means, for any fiscal period, the ratio of EBITDA, less Cash Taxes and, to the extent not deducted in determining net income, less Corporate Distributions, to the total of Interest Expense and scheduled principal payments in respect of Funded Debt; and
  - the term "Cash Taxes" shall have the following meaning:

"Cash Taxes" means, for any fiscal period, any amounts paid in respect of income taxes;
- b) No Borrowing under Facility #1 will be made available unless the Bank has received:
  - i) an environmental questionnaire in respect of the Borrower and site checklist(s) in respect of all applicable real property on which the Borrower has granted Security to the Bank, on the Bank's standard forms and containing findings acceptable to the Bank.
  - ii) an appraisal in respect of the property located at 10709 105 Street NW, Edmonton, Alberta, completed by an appraiser acceptable to the Bank and containing findings acceptable to the Bank.
  - iii) a reliance letter in respect of the appraisal report on the property located at 10709 105 Street NW, Edmonton, Alberta, confirming that the Bank may rely on such report.
  - iv) a copy of an executed lease agreement from Habesha African Supermarket Ltd. containing terms satisfactory to the Bank.
  - v) a copy of an executed lease agreement from Yamama Group containing terms satisfactory to the Bank.
  - vi) confirmation satisfactory to the Bank, that the property is zoned for retail use, together with copies of permits, city approvals for renovation, business license, and occupancy permit, in form and substance satisfactory to the Bank.
  - vii) a copy of payout statement from the third party lender in form and substance satisfactory to the Bank together with confirmation that such lender will release and discharge all security it holds in the assets of the Borrower.

\* Registered trademark of Royal Bank of Canada.

## **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

## **STANDARD TERMS**

The following standard terms have been provided to the Borrower:

- Form 472 (10/2017) Royal Bank of Canada Credit Agreement - Standard Terms
- Form 473 (10/2017) Royal Bank of Canada Credit Agreement - Margined Account Standard Terms
- Form 473A (10/2017) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions
- Form 473B (10/2017) Royal Bank of Canada Credit Agreement – Margined Account Standard Terms
- Form 477 (10/2017) Royal Bank of Canada Credit Agreement – Term Facility Borrowing Request

<sup>2</sup> Registered trademark of Royal Bank of Canada.

**ACCEPTANCE**

This Agreement is open for acceptance until February 11, 2018, after which date it will be null and void, unless extended in writing by the Bank.

**ROYAL BANK OF CANADA**



Per: \_\_\_\_\_  
Title: Vice President

**RBC Contact: Jordan Valastin**

/bb

**CONFIRMATION & ACCEPTANCE**

The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 22<sup>nd</sup> day of Jan, 2018.

**BEREKET & G HOLDINGS CORP.**

Per: SBA  
Name: Sembere Berhane  
Title: Director

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(We have the authority to bind the Borrower

<sup>2</sup> Registered trademark of Royal Bank of Canada

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ROYAL BANK OF CANADA CREDIT AGREEMENT-  
TERM FACILITY - BORROWING REQUEST STANDARD FORM

FORM 477 (10/2017)

In support of the Royal Bank of Canada Loan Agreement dated January 11, 2018 the Borrower hereby requests the following be established under Facility # 1:

Date of Borrowing	January 30, 2018		
Amount of Borrowing:	\$ 2,812,500		
Amortization (In months):	300		
Selected Term: (Borrowing repayable in full on the last day of the Term)	5 years		
Payment Amount:	\$ 16,200.00		
Payment Frequency:	weekly	<input type="checkbox"/>	bi-weekly <input type="checkbox"/>
	semi-monthly	<input type="checkbox"/>	monthly <input checked="" type="checkbox"/>
	quarterly	<input type="checkbox"/>	semi-annual <input type="checkbox"/> annual <input type="checkbox"/>
Selected Interest Rate (per annum):	4.85% <input checked="" type="checkbox"/>	RBP +	% <input type="checkbox"/>
Selected Payment Type:	Blended (Principal and Interest) <input checked="" type="checkbox"/>	Principal plus Interest <input type="checkbox"/>	
	<small>If variable interest rate selected with blended payments, the payment amount is subject to annual adjustment to ensure amortization</small>		
First Payment Due Date:	April 6, 2018		
Amount Eligible for Prepayment of FRT Loan:	0% <input checked="" type="checkbox"/>	10% <input type="checkbox"/>	

Dated this 30 day of January, 2018.

BEREKET & G HOLDINGS CORP.

Per: GAH  
Name: Semere Berhane  
Title: Director

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have the authority to bind the Borrower

SRF# 578114838

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

#### GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

#### CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

#### AVAILABILITY

**Revolving facilities:** The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

**Non-revolving facilities:** The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

#### LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "**General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

#### REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmaturing or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.
- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term

Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

#### PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
  - (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;

plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

#### EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "Accounts") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

#### CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law.
- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

#### FEES, COSTS AND EXPENSES

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

termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

#### GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or any Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

#### GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

#### AMENDMENTS AND WAIVERS

No amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof.

#### SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

#### GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

#### SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

#### DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**JOINT AND SEVERAL / SOLIDARY**

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security.

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

**LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE**

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

**FEF CONTRACTS**

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;
- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract, including those disclosed by the Bank in the Risk Disclosure Statement below.



**FOREIGN EXCHANGE FORWARDS  
RISK DISCLOSURE STATEMENT**

The Borrower should only enter into over-the-counter foreign exchange forward contracts or variations thereof ("FX Forwards") if it has sufficient knowledge and experience to evaluate them and if it understands, acknowledges and is capable of assuming all of the risks associated with them, including those described below.

**Market or Price Risk.** FX Forwards involve market or price risk. At any given time after execution but prior to maturity, an FX Forward will have a market value which may be greater or less than the market value the FX Forward had at the time of execution. Accordingly, if the Borrower wishes to reverse or close-out an FX Forward prior to maturity, there may be a resulting gain or loss to the Borrower. Such gain or loss could be substantial depending on the terms of the FX Forward and market conditions, which can change continuously and rapidly.

**Absence of Advisory Relationship.** While Royal Bank of Canada ("RBC") may comment on a variety of topics in conversation with the Borrower, the Borrower should not assume that RBC is acting in an advisory capacity unless RBC expressly indicates otherwise. All information provided by RBC should be evaluated by the Borrower independently of RBC. This includes not only information about market conditions and trends but also any information about the legal, regulatory, tax, accounting and credit issues generated by FX Forwards.

**This Risk Disclosure Statement does not purport to disclose all of the risks and material considerations associated with FX Forwards, and neither this Risk Disclosure Statement, nor any other document provided by RBC, should be construed as legal, tax, investment or business advice or counsel.**

**EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

**ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

**ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**DEFINITIONS**

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

**"Applicable Laws"** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

**"Borrowing"** means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

**"Business Day"** means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

**"Business Loan Insurance Plan"** means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

**“Capital Expenditures”** means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

**“Contaminant”** includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**“Corporate Distributions”** means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

**“Current Assets”** means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

**“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

**“Current Ratio”** means the ratio of Current Assets to Current Liabilities;

**“Debt Service Coverage”** means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

**“EBITDA”** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

**“Environmental Activity”** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**“Environmental and Health and Safety Laws”** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**“Equivalent Amount”** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**“Equity”** means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

**“Financial Assistance”** means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

**“Fixed Charge Coverage”** means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes and Unfunded Capital Expenditures to Fixed Charges;

**“Fixed Charges”** means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt, payments under operating leases and Corporate Distributions;

**“Foreign Exchange Forward Contract”** or **“FEF Contract”** means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

**“Funded Debt”** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**“Guarantor”** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**“Lease”** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**“Interest Expense”** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers’ acceptances.

**“Investment”** means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

**“Letter of Credit”** or **“LC”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

**“Letter of Guarantee”** or **“LG”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

**“Margin” or “Margined”** means that the availability of Borrowings under the credit facilities will be based on the Borrower’s level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

**“Overdraft”** means advances of credit by way of debit balances in the Borrower’s current account;

**“Permitted Encumbrances”** means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

**“Person”** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

**“Policy”** means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

**“Postponed Debt”** means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

**“Potential Prior-Ranking Claims”** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

**“RBP” and “Royal Bank Prime”** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

**“RBUSBR” and “Royal Bank US Base Rate”** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

**“Release”** includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

**“Tangible Net Worth”** means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

**“Total Liabilities”** means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

**“Unfunded Capital Expenditures”** means Capital Expenditures not funded by either bank debt or equity proceeds.

**“US”** means United States of America.

## ROYAL BANK OF CANADA AMENDING AGREEMENT

DATE: October 24, 2018

<b>BORROWER:</b> BEREKET & G HOLDINGS CORP.	<b>SRF:</b> 579114638
<b>ADDRESS (Street, City/Town, Province, Postal Code)</b> 101 10301 109 Street Edmonton, AB T5J 1N4	

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned borrower (the "Borrower") the following amendments to the credit agreement dated January 11, 2018, and any previous amendments thereto, between the Borrower and the Bank (the "Agreement"):

1. Under the Security section of the Agreement, paragraphs f is deleted in its entirety.

**BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the

<sup>1</sup> Registered trademark of Royal Bank of Canada.

time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

**OTHER TERMS AND CONDITIONS**

- a) All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement;
- b) All other terms and conditions of the Agreement including those contained in the standard terms provided therewith, remain in full force and effect; and
- c) The effectiveness of the terms hereof is conditional upon receipt of a duly executed copy of this amending agreement.

**STANDARD TERMS**

In addition to the standard terms previously provided to the Borrower as indicated in the Agreement, the following standard terms, if any as required, have been provided to the Borrower:

- Form 472 (01/2018) Royal Bank of Canada Credit Agreement - Standard Terms
- Form 473 (10/2017) Royal Bank of Canada Credit Agreement - Margined Accounts Standard Terms
- Form 473A (10/2017) Royal Bank of Canada Credit Agreement - RBC Covarity Terms and Conditions
- Form 473B (10/2017) Royal Bank of Canada Credit Agreement - Margined Accounts Standard Terms

The Borrower confirms that it has received a copy of all standard terms indicated above as having been delivered to the Borrower, all of which are incorporated in and form an integral part of the Agreement.

**ACCEPTANCE**

This amending agreement is open for acceptance until November 24, 2018, after which date it will be null and void, unless extended in writing by the Bank.

**ROYAL BANK OF CANADA**



Per: \_\_\_\_\_  
Title: Vice President


**RBC Contact: Jordan Valastin**

/an

**ACKNOWLEDGEMENT & ACCEPTANCE**

Acknowledged and accepted this 31 day of October, 2018.

**BEREKET & G HOLDINGS CORP.**

Per:  \_\_\_\_\_  
Name:  
Title:

Per: Semere Berhane \_\_\_\_\_  
Name:  
Title:

I/We have the authority to bind the Borrower

\* Registered trademark of Royal Bank of Canada.

**This is Exhibit "C" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA**  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public



**ROYAL BANK OF CANADA AMENDING AGREEMENT**

**DATE: May 31, 2023**

<b>BORROWER:</b> BEREKET & G HOLDINGS CORP.	<b>SRF:</b> 579114638
<b>ADDRESS</b> (Street, City/Town, Province, Postal Code) 101 10301 109 STREET EDMONTON, AB T5J 1N4	

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned borrower (the "Borrower") the following amendments to the credit agreement dated January 11, 2018, and any previous amendments thereto, between the Borrower and the Bank (the "Agreement"):

1. Facility #1 in the amount of \$2,552,046.05, which was payable in full on March 6, 2023 (the "Original Facility #1 Maturity Date"), is renewed, subject to the following revised terms and conditions, with effect retroactive to the Original Facility #1 Maturity Date. The Borrower understands and agrees that any payments which would have become due under this facility, as so revised and renewed, since the Original Facility #1 Maturity Date, will be charged to its account upon acceptance of this amending agreement

**Facility #1 Fixed rate term loan (non-revolving) in the amount of \$2,552,046.05.** Repayable by consecutive monthly blended payments of \$19,092.01, including interest, based on a remaining 300 month amortization. First payment is due April 6, 2023. This loan has a 12 month term and all outstanding principal and interest is payable in full March 6, 2024. Interest rate: 7.51% per annum. Amount eligible for prepayment is NIL.

**OTHER TERMS AND CONDITIONS**

- a) All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement; and
- b) All other terms and conditions of the Agreement including those contained in the standard terms provided therewith, remain in full force and effect.

**STANDARD TERMS**

In addition to the standard terms previously provided to the Borrower as indicated in the Agreement, the following standard terms, if indicated in the boxes below, are being provided to the Borrower:

- Form 472 (12/2022) Royal Bank of Canada Credit Agreement – Standard Terms
- Form 473 (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms
- Form 473A (06/2021) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions
- Form 473B (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

**ACCEPTANCE**

The Borrower and the Bank waive any requirement for the amendments set out above to be signed by the Borrower. The Borrower is deemed to agree to the amendments set out above and to the new or amended standard terms, if provided, so taking effect by accessing credit, borrowing or continuing to borrow under the Credit Facilities. The above amendments and the new or amended standard terms, if applicable, take effect as of the date of this amending agreement.

**ROYAL BANK OF CANADA**

Per: \_\_\_\_\_  
Title: Vice President

\* Registered trademark of Royal Bank of Canada.

**RBC Contact: OLA AIGBOKHAI**

/cs

® Registered trademark of Royal Bank of Canada.



The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

#### GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

#### CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

#### AVAILABILITY

**Revolving facilities:** The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

**Non-revolving facilities:** The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

#### LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "**General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

#### REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.
- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank

may provide a letter (“**Renewal Letter**”) to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank’s option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

#### PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank’s prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower’s agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
  - (i) the amount equal to three (3) months’ interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank’s original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;

plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank’s original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower’s obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

#### EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the “**Accounts**”) evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

#### CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.
- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

#### FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in

connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

#### GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

#### GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

#### AMENDMENTS AND WAIVERS

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

#### SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

#### GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate, including, without limitation, the application of accrual accounting. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

#### SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

**DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**JOINT AND SEVERAL / SOLIDARY**

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "**Event of Default**" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

**LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE**

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

**FEF CONTRACTS**

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;
- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.

**EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

**COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

**ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

**ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**CONFIDENTIALITY**

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

**DEFINITIONS**

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgments, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

"**Business Day**" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

"**Business Loan Insurance Plan**" means the optional group creditor insurance coverage, underwritten by RBC Life Insurance Company, and offered in connection with eligible loan products offered by the Bank;

"**Capital Expenditures**" means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

"**Contaminant**" includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**“Corporate Distributions”** means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

**“Current Assets”** means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

**“Current Liabilities”** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

**“Current Ratio”** means the ratio of Current Assets to Current Liabilities;

**“Debt Service Coverage”** means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

**“EBITDA”** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

**“Environmental Activity”** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**“Environmental and Health and Safety Laws”** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**“Equivalent Amount”** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**“Equity”** means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

**“Financial Assistance”** means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

**“Fixed Charge Coverage”** means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

**“Fixed Charges”** means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

**“Foreign Exchange Forward Contract”** or **“FEF Contract”** means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

**“Funded Debt”** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**“Guarantor”** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**“Lease”** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**“Interest Expense”** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances;

**“Investment”** means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

**“Letter of Credit”** or **“LC”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

**“Letter of Guarantee”** or **“LG”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

**“Margin”** or **“Margined”** means that the availability of Borrowings under the credit facilities will be based on the Borrower's level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

**“Overdraft”** means advances of credit by way of debit balances in the Borrower's current account;

**“Permitted Encumbrances”** means, in respect of the Borrower.

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

“**Person**” includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

“**Policy**” means the Business Loan Insurance Plan policy 52000 and 53000, issued by RBC Life Insurance Company to the Bank;

“**Postponed Debt**” means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

“**Potential Prior-Ranking Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

“**RBP**” and “**Royal Bank Prime**” each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

“**RBUSBR**” and “**Royal Bank US Base Rate**” each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

“**Release**” includes discharge, spray, inject, inculcate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

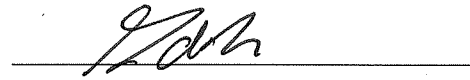
“**Tangible Net Worth**” means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

“**Total Liabilities**” means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

“**Unfunded Capital Expenditures**” means Capital Expenditures not funded by either bank debt or equity proceeds

“**US**” means United States of America.

**This is Exhibit "D" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**

A handwritten signature in black ink, appearing to read 'G. Da Roza', is written over a horizontal line.

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**





Collateral Mortgage - General  
Saskatchewan/Alberta/NWT/Nunavut

**COLLATERAL MORTGAGE**

I/WE, BEREKET & G HOLDINGS CORP.

(hereinafter referred to as the "Mortgagor") having an address at 2433 San Fortunato St NW, Edmonton,  
*(Street Address) (City)*  
Alberta, T5E 5V3, being registered owner for for the purposes of land located  
*(Province) (Postal Code)*

in Northwest Territories or Nunavut Territory, being or being entitled to become registered owner) of an estate in fee simple/leasehold estate (and for the purposes of land located in Alberta only, subject to registered encumbrances, liens and interests, if any) (and for the purposes of land located in Northwest Territories or Nunavut Territory only, subject to the encumbrances and interests listed below or which apply under the applicable Land Titles Act) in all that piece of land described as follows:

See attached Schedule A

(hereinafter referred to as "the land"), IN CONSIDERATION OF the premises herein and other valuable consideration, the receipt and sufficiency of which is acknowledged, hereby covenant with ROYAL BANK OF CANADA, a chartered bank having its Head Office in the City of Montreal, in the Province of Quebec (hereinafter referred to as the

"Mortgagee") and having an office at 36 York Mills Road, 4th Floor  
Toronto, Ontario, M2P 0A4 ✓, as follows:  
*(City) (Province) (Postal Code)*

- (1) **Charging Clause:** The Mortgagor hereby encumbers, mortgages and charges the land and each and every building and improvement on the land (the "premises") which now or hereafter may be erected thereon (the land and the premises being hereinafter referred to as the "mortgaged property") with payment of:
  - (a) the Liabilities (as hereinafter defined), excluding any portion thereof constituting interest or constituting Enforcement Obligations (as hereinafter defined), up to the amount of Three Million Seven Hundred Fifty Thousand DOLLARS (\$3,750,000.00);
  - (b) the Enforcement Obligations (as hereinafter defined); and
  - (c) interest payable on the Liabilities calculated at the rate and in the manner specified herein or in the instrument or other agreement creating or evidencing the obligation to pay such interest.

"Enforcement Obligations" means all amounts payable hereunder which are stated to constitute Enforcement Obligations.

"Liabilities" means all amounts owing to the Mortgagee from time to time in respect of any current or running account or revolving line of credit and all indebtedness, (liabilities and obligations of the Mortgagor to the Mortgagee (which includes for greater certainty all Enforcement Obligations) whether present or future, direct or indirect, absolute or contingent, matured or not, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the mortgaged property, and whether arising within or outside Canada, and whether incurred by or arising from any agreement or dealing between the Mortgagee and the Mortgagor or by or from any agreement or dealing with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor, or however otherwise incurred or arising, and whether the Mortgagor be bound alone or with another or others, and whether as principal, guarantor or surety.

"Prime Rate" means the annual rate of interest established and announced from time to time by the Mortgagee as being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans made in Canada.

- (2) **Liabilities:** These presents are given and taken as general and continuing collateral security to secure payment of the Liabilities and this mortgage shall obtain priority for all Liabilities notwithstanding that at any time or from time to time there may not be any Liabilities then outstanding. The Mortgagor agrees to pay to the Mortgagee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation. Any future or contingent Liability that does not constitute a debt or loan shall accrue and be payable upon the satisfaction of any applicable condition or contingency which is specified in the agreement or dealing creating such Liability or upon the satisfaction of any other condition or contingency which may be applicable to making a determination of whether such Liability is accrued and payable. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute prima facie evidence of the amount of Liabilities outstanding and owing from time to time by the Mortgagor to the Mortgagee. Unless otherwise specified herein or in an instrument or other agreement creating or evidencing an obligation to pay interest on the Liabilities, the Mortgagor shall pay to the Mortgagee interest on the amount of the Liabilities outstanding from time to time for the period commencing on the date of demand for payment thereof until paid, such interest to be calculated at a rate equal to the Prime Rate plus five percent (5.000%) per annum, calculated and payable monthly not in advance, both before and after default and judgment, with interest on overdue interest at the rate aforesaid.
- (3) **Enforcement Obligations:** All Enforcement Obligations shall be payable by the Mortgagor to the Mortgagee upon demand therefor by the Mortgagee to the Mortgagor together with interest thereon from the date such Enforcement Obligations become due and payable until paid, calculated at a rate equal to the Prime Rate plus two percent (2%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment; with interest on overdue interest at the rate aforesaid.
- (4) **No Merger:** Neither the granting of this mortgage nor any proceeding taken hereunder or with respect hereto or under any securities or evidences of securities taken by the Mortgagee, nor any judgment obtained in such proceeding, shall operate as a merger of the Liabilities or of any simple contract debt or in any way suspend payment of, affect or prejudice the rights, remedies or powers, legal or equitable, which the Mortgagee may hold in connection with the Liabilities and any securities which may be taken by the Mortgagee in addition to, by way of renewal of, or in substitution for any present or future bill, promissory note, obligation or security evidencing the Liabilities or a part thereof, or be deemed a payment or satisfaction of the Liabilities or any part thereof or merger therein and any right reserved to the Mortgagee under any document may be exercised by the Mortgagee concurrently or consecutively with or to any other rights reserved to it.

- (5) **Further Covenants:** The Mortgagor further covenants with the Mortgagee that the Mortgagor:
- (a) has a good title to the land and premises;
  - (b) has the right to mortgage the land and premises and that on default the Mortgagee shall have quiet possession of the land and premises free from all encumbrances;
  - (c) will execute such further assurances of the land and premises as may be requisite; and
  - (d) has done no act to encumber the land and premises.
- (6) **Covenants:** The Mortgagor further covenants with the Mortgagee that:
- (a) **Insurance:** The Mortgagor will forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by the perils of fire and such other perils as the Mortgagee may require, the premises, both during erection and thereafter, for a total amount not less than the lesser of the replacement cost of the premises and the amount of the Mortgagee's interest therein, with an insurance company and under policies satisfactory to the Mortgagee; and each policy of insurance shall provide that every loss shall be payable to the Mortgagee as its interest may appear in accordance herewith, subject to a standard form of mortgage clause approved by the Mortgagee; and each policy of insurance shall provide that the Mortgagee shall receive at least thirty (30) days prior notice of any cancellation or material alteration thereof; and the Mortgagor will forthwith assign, transfer and deliver to the Mortgagee the policies of insurance and all renewal receipts pertaining thereto; and no insurance will be carried on the premises other than such as is made payable to the Mortgagee in accordance with the provisions of this paragraph; and the Mortgagor will not do or omit or cause anything to be done, omitted or caused whereby the policies of insurance may become void; and the Mortgagor will pay all premiums necessary for such purposes promptly as the same shall become due and will deliver evidence of renewal to the Mortgagee at least seven (7) days prior to the expiration of any policy of insurance; and, in the event of any breach of the foregoing covenants respecting insurance, the Mortgagee, without prejudice to its other rights hereunder, may, at its option, effect such insurance to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and forthwith on the happening of any loss or damage, the Mortgagor will furnish at its own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and the production of this mortgage shall be sufficient authority for the insurance company to pay every such loss to the Mortgagee, and the insurance company is hereby directed thereupon to pay the same to the Mortgagee; and any insurance monies received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the premises or be paid to the Mortgagor or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the Liabilities or any part thereof whether due or not then due; and the Mortgagor hereby releases to the Mortgagee all its claims upon the mortgaged property subject to the said provisos;
  - (b) **Taxes and Encumbrances:** The Mortgagor will pay when and as the same fall due all taxes, rates, levies, assessments, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged property or on this mortgage or on the Mortgagee in respect of this mortgage; and in default of payment, the Mortgagee may pay the amount of such taxes, rates, levies, assessments, liens, charges, encumbrances and claims, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;

- (c) **Assignment of Rents and Leases:** For the better securing to the Mortgagee the payment of the Liabilities, the Mortgagor hereby gives, grants, assigns, transfers and sets over unto the Mortgagee all leases, agreements, tenancies, quotas and licenses which affect the mortgaged property whether written, verbal or otherwise howsoever, including all renewals or extensions thereof, together with all rents and other monies payable thereunder and all rights, benefits and advantages to be derived therefrom; provided that nothing done in pursuance hereof shall have or be deemed to have the effect of making the Mortgagee responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the mortgaged property, or for the performance or observance of any provision of such leases and agreements;
- (d) **Fixtures:** Without restricting the generality of the term "fixtures", fences, plumbing, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all appliances and appurtenances relating thereto which now are or may hereafter be placed upon the mortgaged property by the Mortgagor or which now are or may hereafter be attached to the mortgaged property by the Mortgagor, and all farm machinery, improvements and irrigation systems, fixed or otherwise, and even though not attached to the land otherwise than by their own weight, shall be deemed to be fixtures and all fixtures shall form a part of the mortgaged property and are charged by and subject to this mortgage;
- (e) **Good Repair:** The Mortgagor will not remove any fixtures of any kind from the mortgaged property, and will keep the premises and all fixtures, gates, fences, drains and improvements for the time being subject to this mortgage in good and substantial repair, and will at all times make such repairs to, and if incomplete, will complete such buildings and improvements as may be required by the Mortgagee in writing; and will not without the consent in writing of the Mortgagee, commit or permit any kind of waste on the mortgaged property; and in default of any of the foregoing the Mortgagee may at its option enter upon the mortgaged property from time to time in order to inspect, and may at its option complete, repair and keep in repair the said premises, fixtures, gates, fences, drains and improvements without thereby becoming liable as mortgagee in possession and the amount expended by the Mortgagee in doing all or any of the foregoing things shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (f) **Erection of Improvements:** The Mortgagor will not, without the consent of the Mortgagee in writing, erect or permit to be erected on the mortgaged property any improvement, or enter into any contract that may cause the mortgaged property to be encumbered by a lien for work done, labor provided, services performed or material supplied and will keep the mortgaged property free from same;
- (g) **Inspection:** The Mortgagee, its agents, employees, and independent contractors may at any time enter upon the mortgaged property to inspect the mortgaged property, and where deemed necessary and/or advisable by the Mortgagee, to conduct investigations thereon, including, without limiting the generality of the foregoing, intrusive testing and sampling on the mortgaged property for the purpose of determining the presence of or the potential for environmental pollution, and the reasonable cost of such inspection and investigations paid for by the Mortgagee including any intrusive testing and sampling shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (h) **No Other Encumbrances:** The Mortgagor will not, without the consent of the Mortgagee in writing, grant, create, assume or suffer to exist any mortgage, charge, lien or other encumbrance against the mortgaged property, whether ranking in priority to or subsequent to this mortgage, and the Mortgagee may pay the amount of any mortgage, charge, lien or other encumbrance, now or hereafter existing upon the mortgaged property having or claiming priority over this mortgage. All monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and

- (i) **Compliance with Laws:** The Mortgagor covenants with the Mortgagee to at all times promptly observe, perform, execute and comply with all applicable laws, including without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, building construction, builders' liens, or public health and safety, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor will from time to time, upon request of the Mortgagee, provide to the Mortgagee evidence of such observance and compliance and will at its own expense make any and all improvements thereon or alterations to the mortgaged property, structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, and the Mortgagor will cause its tenants, agents and invitees to comply with all the foregoing at their own expense.
- (7) **Environmental Provisions:** The Mortgagor represents and warrants to the Mortgagee that there is no product or substance on the mortgaged property or on any property adjacent thereto which contravenes any environmental law or which is not being dealt with according to best recognized environmental practices, and that the mortgaged property is being used in compliance with all environmental laws. The Mortgagor will give the Mortgagee immediate notice of any material change in circumstances which would cause any of the foregoing representations and warranties to become untrue. The Mortgagor will indemnify the Mortgagee and each of its directors, officers, employees, agents and independent contractors, from all loss or expense (including, without limitation, legal fees on a solicitor and his own client basis) due to the Mortgagor's failure to comply with any environmental law or due to the presence of any product or substance referred to in this paragraph, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of this mortgage or the release from this mortgage of part or all of the mortgaged property. All amounts payable to the Mortgagee in respect of such indemnity shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation.
- (8) **Remedies for Breach of Covenants:** In the event of non-payment when due of the Liabilities or a part thereof, or upon breach of or default under any provision of any agreement evidencing or relating to the Liabilities or a part thereof, or upon breach of or default in any provision of this mortgage:
- (a) **Liabilities Due:** The Liabilities shall immediately become due and payable at the option of the Mortgagee unless such non-payment, breach or default is waived or postponed by the Mortgagee;
- (b) **May Enter on to Mortgaged Property to Lease or Sell:** The Mortgagee may on giving the minimum notice, if any, according to applicable law, enter on and lease or sell the mortgaged property; and the Mortgagee may collect the rents and profits and lease or sell as aforesaid without entering into possession of the mortgaged property; and the Mortgagee is hereby irrevocably appointed the attorney of the Mortgagor for the purpose of making such lease or sale, and for recovering all rents and sums of money that may become or are due or owing to the Mortgagor in respect of the mortgaged property, and for enforcing all agreements binding on any lessee or occupier of the mortgaged property or on any other person in respect of it, and for taking and maintaining possession of the mortgaged property, and for protecting it from waste, damage or trespass, and for making arrangements for completing the construction of, repairing or putting into order any buildings or other improvements on the mortgaged property, and for harvesting, threshing and marketing any crops on the land, keeping down and destroying any noxious weeds, summer fallowing, and working, breaking and otherwise farming any farm land, and for conducting remediation to bring the mortgaged property in compliance with recognized environmental standards, statutory or otherwise, and for executing all instruments, deeds and documents pertaining thereto, and for doing all acts, matters and things that may be necessary for carrying out the powers hereby given; and any such sale may be either for cash or on credit, or part cash and part credit, and by private sale or public auction, and at such sale the whole or any part of the mortgaged property may be sold; and the Mortgagee may vary or rescind any contract of sale made by virtue of these presents, and may buy in and resell the mortgaged property or any part thereof, without being responsible for any loss or deficiency on resale or expense occasioned thereby, and may sell on such terms as to credit or otherwise as to it shall seem appropriate, and for such prices as can reasonably be obtained therefor, and may make any stipulation as to title or evidence or commencement of title or otherwise as to it may seem proper, and no purchaser or lessee under such power shall be bound to inquire into the legality or regularity of any sale or lease under the said power, or to see to the application of the proceeds thereof, nor shall any omission, irregularity or want of notice invalidate or in any way affect the legality of any such sale or lease; and out of the money arising from such sale

or lease the Mortgagee shall be entitled to retain an amount equal to the Liabilities together with all expenses incurred in or about taking, recovering or keeping possession of the mortgaged property, selling or leasing the same or otherwise by reason of any default of the Mortgagor hereunder, including solicitor's fees and disbursements as between a solicitor and his own client, and any balance of monies remaining after the satisfaction of all claims of the Mortgagee, as hereinbefore provided, shall be paid to the Mortgagor but the Mortgagee shall in no event be liable to pay to the Mortgagor any monies except those actually received by the Mortgagee;

- (c) **Foreclosure:** The Mortgagee may take foreclosure or foreclosure and sale proceedings in respect of the mortgaged property in accordance with the provisions of the laws of the jurisdiction in which the mortgaged property is situate; and in the event of any deficiency on account of the Liabilities remaining due to the Mortgagee after realizing all the mortgaged property, then the Mortgagor will pay to the Mortgagee on demand the amount of such deficiency together with interest thereon until paid, calculated at a rate equal to the Prime Rate plus five percent (5.00%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. In the event foreclosure proceedings are commenced in respect of the mortgaged property, then from the time of the application for an order nisi in such proceedings, the rate of interest payable under this mortgage shall, at the option of the Mortgagee, be fixed at the rate applicable under this mortgage at that time and shall thereafter remain at such fixed rate unless and until such proceedings have been settled or discontinued;
- (d) **Distrain:** The Mortgagee may distrain for arrears of the Liabilities, and as part of the consideration for any advance or creation of the Liabilities, the Mortgagor agrees to waive, and hereby waives, on the exercise of any such right of distress all rights to exemptions from seizure and distress under any law applicable in the jurisdiction in which the mortgaged property is situate;
- (e) **Receivership:** The Mortgagee may appoint a receiver of the mortgaged property and of the income of the mortgaged property, or any part thereof, and every such receiver shall be the agent of the Mortgagor and the Mortgagor shall be solely responsible for the receiver's acts or defaults; and such receiver shall have power to demand, recover and receive all the income of the mortgaged property, by action, distress or otherwise, either in the name of the Mortgagor or of the Mortgagee, and to give effectual receipts for the same; and the receiver may lease the mortgaged property and execute contracts in the name of the Mortgagor; provided that such receiver may be removed and a new receiver appointed from time to time by the Mortgagee, by writing under the hand of any authorized agent or solicitor; and it is further agreed that such receiver shall be entitled to retain out of the monies received by it a commission of five percent (5%) of the gross receipts, or such higher rate as any judge of any court having jurisdiction may allow upon application by it for that purpose, and also its disbursements in the collection of such income; and thereafter shall apply all monies received by it as such receiver as follows: namely, in discharge of all taxes, rates and accounts payable whatsoever affecting the mortgaged property and all liens, charges (including, without limitation, those imposed under environmental laws), annual sums or other payments and interest thereon, if any, having priority to this mortgage; in payment of the premiums on insurance payable under this mortgage; in payment of the cost of all necessary or proper repairs to the mortgaged property; and the balance, if any, thereafter upon the Liabilities; provided further that neither the existence of the foregoing relating to attornment, to distraint for arrears, to entry upon the mortgaged property, to foreclosure and to the said receivership, nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession so as to be accountable for any monies except those actually received; and
- (f) **Performance of Obligations:** The Mortgagee, at its option, may by and on behalf of the Mortgagor and at the sole cost and expense of the Mortgagor, and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed, any provision with respect to which default has occurred hereunder or under any provision of any agreement or dealing evidencing the Liabilities and for such purpose make such payments as are contemplated herein, and all monies expended by the Mortgagee for any such purpose shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation; provided however that nothing herein contained shall be deemed to hold the Mortgagee responsible for and the Mortgagee shall not be responsible for any loss arising out of its or its agents' or employees' observance or performance of any such provision. No remedy herein conferred is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under any security collateral hereto or now or hereafter existing at law or in equity.

- (9) **Bankruptcy:** If the Mortgagor shall commit an act of bankruptcy within the meaning of the Bankruptcy and Insolvency Act, become bankrupt or insolvent or shall be subject to the provisions of the Bankruptcy and Insolvency Act, the Companies Creditors Arrangement Act, the Winding Up Act or any other Act for the benefit of creditors or relating to bankrupt or insolvent debtors or go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency, the same shall constitute a breach of covenant pursuant to this mortgage.
- (10) **Costs to Protect Security:** All fees, charges, costs (including solicitor's fees and disbursements as between a solicitor and his own client) or expenses levied or charged by any solicitors or inspectors retained by or on behalf of the Mortgagee for the preparation, taking, registration, maintenance, protection or enforcement of this mortgage and any other securities which may be taken by the Mortgagee in connection with the Liabilities or any part thereof, together with the costs of any sale or abortive sale and of taking, recovering and keeping possession of the mortgaged property, the costs of inspecting or managing the same and generally any costs in any other proceeding, matter or thing taken or done in connection with or for completing the construction of, repairing or putting in order any buildings or other improvements on the mortgaged property, or for remediation to bring the mortgaged property into compliance with recognized environmental standards, statutory or otherwise, or to protect or realize upon this mortgage or any other security taken in connection with the Liabilities, or to perfect the title of the mortgaged property, or relating to expropriation of part or all of the mortgaged property, shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation. If the Mortgagor shall default in payment of any Enforcement Obligation on demand, the Liabilities shall at the option of the Mortgagee forthwith become due and payable unless such default is waived or postponed by the Mortgagee.
- (11) **Extension or Replacement of Covenants:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, in respect of the Liabilities or any part thereof give an extension of time, take the covenant of any purchaser of the equity of redemption of the mortgaged property or any part thereof, or any security whatsoever from them or from any other person, for the assumption and payment of the whole or any part of the Liabilities or for the due performance of any of the provisions hereof and any such action on the part of the Mortgagee shall not release the Mortgagor or any guarantor or surety from payment of the Liabilities or any part thereof or the performance of the said provisions or any of them; and the Mortgagee may also, in its discretion, compound with or release the Mortgagor or any one claiming under it, or any other person liable for payment of the Liabilities, or surrender, release or abandon or omit to perfect or enforce any securities, remedies or proceedings which the Mortgagee may now or hereafter hold, take or acquire, and may pay all monies received from the Mortgagor or others, or from securities upon such part of the Liabilities as the Mortgagee may think best without prejudice to or in any way limiting or lessening the liability of the mortgaged property or of any surety or obligor or any other person liable for payment of the Liabilities; and the Mortgagee shall incur no liability to any person by reason of anything aforesaid; any provision or liability aforesaid shall continue in full force as long as any of the Liabilities remain unpaid, but the Mortgagee shall not be bound to exhaust its recourse or remedies against the mortgaged property or the Mortgagor or other parties or the securities it may hold before being entitled to payment from any guarantor or surety of the Liabilities.
- (12) **Release of Lands:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, release any part of the mortgaged property or any other security for the Liabilities either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by it and without thereby releasing any other part of the mortgaged property, or any provision hereof, including any covenants or agreements on the part of any guarantor or surety for the payment of the Liabilities and the performance of the provisions hereof.
- (13) **No Waiver:** The permitting of or the acquiescence in the non-performance or non-observance of or the extension of time for the performance of any of the provisions of this mortgage shall not be or constitute any waiver of or cure any continuing or subsequent default, and shall not justify any default or delay on any other occasion and no waiver shall be inferred from or implied by anything done or omitted by the Mortgagee, except by express agreement.

- (14) **No Apportionment:** Every part, lot or unit into which the mortgaged property is or may hereafter be divided stands charged with the whole of the Liabilities and no person shall have any right to require the Liabilities to be apportioned on or in respect of any such part, lot or unit, or to require the charge of this mortgage to be released or discharged in respect of any such part, lot or unit, and the Mortgagor hereby waives any provision of any legislation which provides for such right.
- (15) **All Taxes Paid:** The Mortgagor represents and warrants that it has paid all taxes, interest and penalties payable by it under the provisions of federal, provincial and municipal statutes or by-laws relating thereto, and which may create a charge or lien upon the mortgaged property.
- (16) **Expropriation:** In the event that the whole or any material portion of the mortgaged property is expropriated by any entity empowered to do so, then at the option of the Mortgagee all Liabilities shall forthwith become due and payable. The Mortgagor hereby waives the provisions of any law applicable in the jurisdiction in which the mortgaged property is situate which would restrict recovery under this mortgage to recovering the market value of this mortgage at the date of any expropriation if the market value is then less than the amount of the Liabilities. In the event such market value is less than the amount of the Liabilities and the Mortgagee receives from the expropriating authority the market value of this mortgage, the Mortgagor shall, notwithstanding the provisions of any such law, forthwith upon demand pay to the Mortgagee the remaining portion as a separate debt together with interest thereon until paid at a rate equal to the Prime Rate plus five percent (5.00%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. The proceeds from any expropriation affecting the whole or any part of the mortgaged property shall be paid to the Mortgagee in priority to the claims of any other person.
- (17) **Discharge:** The Mortgagor shall not be entitled to a discharge of this mortgage unless and until the Liabilities have been paid in full or are no longer in existence, the Mortgagee has no further obligations to the Mortgagor in respect of any Liabilities and the Mortgagor has kept and performed all of the provisions hereunder and under any provision of any agreement evidencing the Liabilities; and the Mortgagee shall have a reasonable time after payment or termination of the Liabilities within which to prepare or have prepared an executed discharge of this mortgage, and interest shall continue to run and accrue until all Liabilities have been paid and actual payment in full has been received by the Mortgagee and all legal and other expenses for the preparation and execution of such discharge and any administration fee of the mortgagee in connection therewith shall be borne by the Mortgagor.
- (18) **Condominium Units:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property constitutes a condominium or a unit in a condominium:
- (a) The Mortgagor covenants with the Mortgagee that the Mortgagor will observe and perform each and every provision required to be observed and performed under or pursuant to the terms of this mortgage, each and every provision of any law applicable in the jurisdiction in which the mortgaged property is situate which affects such condominium or unit in a condominium and the by-laws and any amendments thereto of the condominium corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium being charged by this mortgage (hereafter referred to as the "Condominium Corporation");
  - (b) Without limiting the generality of the foregoing subparagraph, the Mortgagor covenants to pay promptly when due any and all unpaid assessments, instalments or payments due to the Condominium Corporation;
  - (c) In addition to the Mortgagor's obligations hereunder to insure the mortgaged property, the Mortgagor covenants and agrees to provide the Mortgagee, from time to time upon the Mortgagee's request, with evidence satisfactory to the Mortgagee that the Condominium Corporation keeps the condominium insured in favour of the Mortgagee against all risks of direct physical loss or damage on a replacement cost basis for an amount equal to the full replacement value of the condominium; provided that, if the Condominium Corporation neglects to keep the condominium insured as aforesaid, the Mortgagee shall be entitled but shall not be obligated to insure the condominium to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable on demand and shall constitute an Enforcement Obligation;



- (d) As a member of the Condominium Corporation, the Mortgagor covenants and agrees to seek the full compliance by the Condominium Corporation with the requirement that the Condominium Corporation insure the condominium; and the Mortgagor hereby releases to the Mortgagee all of the Mortgagor's claim upon the Condominium Corporation, subject to the terms of the said insurance policy;
  - (e) The Mortgagee authorizes the Mortgagor to vote respecting all matters relating to the affairs of the Condominium Corporation, provided that the Mortgagee may at any time upon written notice to the Mortgagor and the Condominium Corporation, revoke this authorization, in which case all power to vote shall rest in the Mortgagee, although the Mortgagee shall be under no obligation to vote to protect the interests of the Mortgagor or to vote in any particular manner;
  - (f) The Mortgagor further covenants that, where the Mortgagor defaults in the Mortgagor's obligations to pay any assessment, instalment or payment due to the Condominium Corporation, or upon breach of any provision contained in this paragraph, regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor, may deem such default to be default under the terms of this mortgage and proceed to exercise its rights herein;
  - (g) Upon default herein and notwithstanding any other right or action of the Condominium Corporation or the Mortgagee, the Mortgagee may distrain for arrears of any assessment, instalment or payment due to the Condominium Corporation or arising under this paragraph; and
  - (h) The Mortgagor covenants to request the Condominium Corporation to send to the Mortgagee copies of all notices sent to the Mortgagor, and the Mortgagor covenants to notify the Mortgagee of any breaches by the Condominium Corporation that come to the attention of the Mortgagor.
- (19) **Farm Lands:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property is or includes farm lands:
- (a) In addition to the Mortgagor's obligations herein to insure the mortgaged property, the Mortgagor covenants and agrees to forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by hail and such other perils as the Mortgagee may require, all crops now or hereafter to be grown on the land;
  - (b) The Mortgagor will in each year during the currency of this mortgage either put into crop or summer fallow in good, proper and husbandlike manner every portion of the land which has been or may hereafter be brought under cultivation, and will keep the land clean and free from all noxious weeds and generally see that the mortgaged property does not depreciate in any way; and
  - (c) The Mortgagor will pay when and as the same fall due any charges for keeping down and destroying noxious weeds on the land and in default of payment the Mortgagee may pay the same, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation.
- (20) **Due on Sale or on Change in Ownership:** In the event that the Mortgagor shall sell, convey, transfer or otherwise dispose of the mortgaged property, or enter into any agreement to sell, convey, transfer or otherwise dispose of or lose title thereto, the Liabilities shall forthwith become due and payable at the option of the Mortgagee. In the event that the Mortgagor is a corporation, and in the event that there is a sale or sales which result in a transfer of the legal or beneficial interest of a majority of the shares in the capital of the Mortgagor or there is a change in the effective control of a majority of the voting shares in the capital of the Mortgagor, then the Liabilities shall forthwith become due and payable at the option of the Mortgagee.
- (21) **Cross Default:** In the event that the Mortgagor makes default under any mortgage, charge, lien or other encumbrance against the mortgaged property ranking or claiming priority over this mortgage, the same shall constitute default under this mortgage and the Liabilities shall at the option of the Mortgagee forthwith become due and payable, and the Mortgagee shall be at liberty to exercise its rights under this mortgage.

- (22) **No Obligation to Advance:** Neither the execution nor registration of this mortgage nor the advancing or creation of any part of the Liabilities shall bind the Mortgagee to advance or create any further Liabilities; and notwithstanding anything herein contained, all payments to be made on or by virtue of this mortgage shall be made in lawful money of Canada to the Mortgagee at its Head Office or at such other place as the Mortgagee may, from time to time, in writing designate.
- (23) **Proving of Prime Rate:** In the event that it may be necessary at any time for the Mortgagee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Manager for the time being of the branch of the Mortgagee responsible for the collection of the Liabilities setting forth the Prime Rate as at any time or times shall be and shall be deemed to be conclusive evidence as to the Prime Rate.
- (24) **Lawful Interest Rate:** In the event interest chargeable or payable on principal or interest or on arrears of principal or interest as provided for in this mortgage is in excess of that permitted by the Interest Act (Canada) or any other applicable law, then in such event, interest payable and chargeable on such principal or interest or on arrears of principal or interest under this mortgage shall be chargeable and payable at the highest lawful rate permitted by the Interest Act (Canada) or such other applicable law and no other interest on principal or interest or on arrears of principal or interest shall be chargeable or payable hereunder.
- (25) **Type of Land Ownership:**
- (a) **Freehold:** If this mortgage is a mortgage of a fee simple interest, the Mortgagor represents and warrants to the Mortgagee that it has a fee simple interest in possession in the mortgaged property and that it has full power to mortgage the mortgaged property.
- (b) **Leasehold:** If the interest of the Mortgagor in the mortgaged property derives from a lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license of the mortgaged property (such lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license including any renewal, extension, modification, replacement or assignment thereof is hereinafter collectively called the "Lease"), then the following additional provisions apply with respect to such interest:
- (i) all references in this mortgage to "mortgaged property" shall include all right, title and interest of the Mortgagor from time to time in and to the Lease and the lands and premises demised under the Lease, including any greater right, title or interest therein or in any part thereof acquired after the date of this mortgage;
- (ii) the Mortgagor grants, mortgages, demises, sub-leases and charges to the Mortgagee all estate, term, right, title and interest of the Mortgagor in and to the Lease and the mortgaged property, together with any and all other, further or additional title, estate, interest or right therein or any part thereof which may at any time be acquired by the Mortgagor in or to the lands and premises demised by the Lease during the term of the mortgage, and all benefit and advantage therefrom for the Mortgagee including any right or option to purchase or to lease contained therein, to have and to hold for and during the remainder of the term of the Lease, save and except the last day thereof, as security for the payment to the Mortgagee of the Liabilities, plus the interest on the Liabilities, Enforcement Obligations and all other amounts secured by this mortgage and for the performance of all liabilities and obligations secured by this mortgage upon the terms set out in this mortgage;
- (26) **Representations and Warranties regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold title, the Mortgagor represents and warrants to the Mortgagee that:
- (a) the leasehold estate which is the subject of this mortgage arises under the Lease, which has not been further modified or amended;
- (b) the Lease is a valid, effective and subsisting lease which has not been surrendered or forfeited, and the Lease is not presently subject to any assignment, mortgage or other encumbrance;
- (c) the Mortgagor has taken possession of the mortgaged property and all sums due under the Lease have been paid in full to the date hereof;

(d) the Mortgagor has full power to mortgage the Lease (subject to the consent, if necessary, of the lessor), and if the consent of the lessor is required, such consent has either been obtained or will be obtained prior to any advance of monies secured by this mortgage; and

(e) "Lease" means the lease from \_\_\_\_\_ to \_\_\_\_\_ dated \_\_\_\_\_ commencing on \_\_\_\_\_ and expiring on \_\_\_\_\_, subject only to the following amending agreements, if any:

(27) **Covenants regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold estate, the Mortgagor covenants with the Mortgagee that:

(a) it will not modify or amend or consent to any modification or amendment to the Lease without the prior written consent of the Mortgagee;

(b) it will not surrender or forfeit or consent to any surrender or forfeiture of the Lease, and it will not without the prior written consent of the Mortgagee further assign, mortgage or otherwise encumber the Lease;

(c) it will not postpone or subordinate its interest in Lease to any other mortgage or encumbrance without the prior written consent of the Mortgagee;

(d) it will faithfully comply with each provision of the Lease and will do all things necessary to preserve the Lease and the lessee's rights thereunder;

(e) it will promptly notify the Mortgagee of any default under the Lease by the Mortgagor, or the giving or receipt of any notice of default in respect thereof, and it agrees to request that the lessor provide the Mortgagee with the opportunity (but not the obligation) to cure any default under the Lease and any amount which may be required to be paid by the Mortgagee to cure such default and the costs thereof (including any legal costs as between solicitor and client) shall constitute an Enforcement Obligation;

(f) the Mortgagor will notify the Mortgagee of each and every notice of default, demand or claim forwarded to or served upon the Mortgagor by the lessor under the Lease;

(g) it will notify the Mortgagee promptly in writing after learning of any condition that with or without the passage of time or the giving of any notice might result in a default under or the termination of the Lease;

(h) if the Mortgagor becomes the owner of the freehold title to the mortgaged property, then

if the mortgaged property is located in Alberta or Saskatchewan, it hereby mortgages to the Mortgagee all of its estate and interest in the mortgaged property, freehold and otherwise, such mortgage to take effect on the Mortgagor acquiring the freehold title thereof, and this mortgage will thereupon be deemed to be a mortgage of the freehold title as if the Mortgagor had been the owner in fee simple at the date of execution of this mortgage and the Mortgagor agrees, if so requested by the Mortgagee, to execute in favour of the Mortgagee a mortgage covering the freehold estate on the same terms and conditions as are contained in this mortgage; and

if the mortgaged property is located in the Northwest Territories or Nunavut Territory, it agrees to provide to the Mortgagee, on request, a mortgage of all of its estate and interest in the mortgaged property, freehold and otherwise;

(i) it will indemnify the Mortgagee against any claims and demands in respect of the Lease, including any legal costs incurred by the Mortgagee in connection therewith, on a solicitor and client basis;

(j) the Mortgagor will at all times promptly observe and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal, or otherwise, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor

will from time to time, upon request of the Mortgagee, provide to the mortgagee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the mortgaged property structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

- (k) if this mortgage is outstanding at the end of the term of the Lease, it will at the appropriate time seek a renewal of the Lease or the issuance of a new lease in substitution and will promptly notify the Mortgagee if it becomes aware that such a renewed or substituted lease may not be forthcoming. The Mortgagor will provide a copy of any such renewed or substituted lease to the Mortgagee upon issuance and such a renewed or substituted lease will be included within the definition of the Lease hereunder and for greater certainty, will be subject to this mortgage.
- (l) The Mortgagor agrees that it will from the date of execution of this mortgage stand possessed of the last day of the term of the Lease (whether it is the last date of the present term or of any extended term) and all rights, privileges and options of the Mortgagor under the Lease, in trust for the Mortgagee. The Mortgagor further agrees it will assign and dispose of said last day, consistent with the terms of the Lease, as the Mortgagee may direct, but subject to the Mortgagor's right of redemption. The Mortgagor irrevocably appoints the Mortgagee as its attorney for on on behalf of the Mortgagor and in its name or otherwise to assign the said last day and privileges as the Mortgagee shall at any time direct, consistent with the terms of the Lease. The Mortgagor further agrees that upon a sale or other disposition made by the Mortgagee, and if requested by the Mortgagee, to assign the last day and privileges and options relating thereto to the purchaser or assignee and to exercise any and all assignments and transfers for that purpose; and the Mortgagee may at any time, by deed or other instrument, remove the Mortgagor or any other person as trustee for the last day and appoint a new trustee or trustees in its place.
- (m) **Information:** The Mortgagor authorizes the Mortgagee to contact the lessor from time to time to obtain information regarding the rent or other sums payable under the Lease, the status of payment thereof and any other information relating to the Lease or default thereunder.
- (n) **Breach:** The Mortgagor agrees that it will be deemed to constitute a breach of the provisions of this mortgage if the leasehold estate which is the subject of this mortgage ceases to exist.
- (28) **Special Provisions:** The Mortgagor covenants with the Mortgagees that in the event the mortgaged property is situate in the Province of Saskatchewan and the Mortgagor is a body corporate, the Mortgagor agrees that:
  - (a) The Land Contracts (Actions) Act of the Province of Saskatchewan shall have no application to an action, as defined in the said Act, with respect to this mortgage; and
  - (b) The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof shall have no application to this mortgage or any agreement or instrument renewing or extending or collateral to this mortgage, or the rights, powers or remedies of any other person under this mortgage, or any such agreement or instrument renewing or extending or collateral to this mortgage.
- (29) **Severability:** If any provision of this mortgage or the application thereof to any person is to any extent held invalid or unenforceable, the remainder of this mortgage or the application of such provision to persons other than those with respect to which it is held invalid or unenforceable shall not be affected thereby and shall continue to be enforceable to the fullest extent permitted by law.
- (30) **Joint and Several:** In the event there is more than one Mortgagor hereunder, the terms, conditions and other obligations of each Mortgagor hereunder shall be joint and several.
- (31) **Interpretation:** The words used herein which import the singular number and neuter shall be read and construed as plural and feminine or masculine, as the case may be, and the terms of this mortgage shall be binding upon and apply to the party's heirs, executors, administrators, successors or assigns, as applicable.

- (32) **Statutory Mortgage Clause:** And for better securing to the Mortgagee the repayment in the manner aforesaid of the Liabilities, the Mortgagor hereby mortgages to the Mortgagee all of the Mortgagor's estate and interest in the mortgaged property.
- (33) **Land Titles Act:** It is understood and intended that this mortgage is made with reference to and under the Land Titles Act of the jurisdiction in which the mortgaged property is situate.

IN WITNESS WHEREOF THIS MORTGAGE IS SIGNED, SEALED AND DELIVERED THIS 22 day of January, 2018.

in the presence of )

\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Witness)

*[Signature]*  
\_\_\_\_\_  
(Witness)

\_\_\_\_\_  
(Mortgagor) (seal)

\_\_\_\_\_  
(Mortgagor) (seal)

BEREKET & G HOLDINGS CORP.  
Name of Mortgagor (if Corporation)

By: *[Signature]* \_\_\_\_\_

Title: director c/s

By: \_\_\_\_\_

Title: \_\_\_\_\_

**AFFIDAVIT OF EXECUTION**

*(To be completed where the mortgage is signed by an individual or by a corporation without seal)*

I, Richard A. Finlay, of Edmonton, in the Province/Territory of Alberta,

**MAKE OATH AND SAY:**

1. That I was personally present and did see Semere Berhane and \_\_\_\_\_ named in the within instrument who is (are) known to me to be the person(s) named therein, duly sign, seal and execute the same for the purposes named therein.
2. That the same was executed at City of Edmonton, in the Province/Territory of Alberta, and that I am the subscribing witness thereto.
3. That I know the said person(s) named in paragraph 1 and he (she) (they) is (are) in my belief of the full age of eighteen years (or nineteen years if the lands are situate in the Northwest Territories or Nunavut Territory).

SWORN BEFORE ME at Edmonton  
 in the Province/Territory of Alberta  
 this 22<sup>nd</sup> day of January, 2018  
 \_\_\_\_\_  
 (A Commissioner for Oaths in and for the  
 Province/Territory of \_\_\_\_\_)  
 My Commission expires \_\_\_\_\_

\_\_\_\_\_  
 Richard A. Finlay

**EMILY URSO**  
 A Commissioner for Oaths  
 in and for Alberta  
 My Commission Expires July 25, 2019

**SCHEDULE A**

PLAN B4

BLOCK 4

LOT 239

EXCEPTING THEREOUT ALL MINES AND MINERALS

AND

PLAN B4

BLOCK 4

LOT 240

EXCEPTING THEREOUT ALL MINES AND MINERALS

AND

PLAN B4

BLOCK 4

LOT 241

EXCEPTING THEREOUT ALL MINES AND MINERALS

**This is Exhibit "E" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



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**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA**  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public



### ASSIGNMENT OF RENTS

THIS INDENTURE made this 22 day of January, 2018

BETWEEN: BEREKET & G HOLDINGS CORP.

hereinafter called the "Assignor"

OF THE FIRST PART,

AND

ROYAL BANK OF CANADA, hereinafter called the "Assignee"

OF THE SECOND PART.

WHEREAS, by a Mortgage dated the January 22, 2018 and registered in the Land Registry Office for the Land (Registry/Titles) Division of North Alberta (No. 112032796) as instrument No. 112032796 the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed which Mortgage secures payment of the sum of \$3,750,000.00 DOLLARS and interest as therein mentioned and which Mortgage is hereinafter referred to as "the Mortgage". Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable and/or intended to be reserved and payable under, and all advantages and benefits to be derived from, leases of premises erected on the lands and premises more particularly described in Schedule "A" hereto (the "Leases") now or hereafter entered into by the Assignor as landlord with tenants thereof (Lessees) and including without limitation the specific leases referred to in Schedule "B" hereto annexed, as additional security for the payment of the money secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Indenture contained, the Assignee is not to be bound to advance the said mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS INDENTURE WITNESSETH that the Assignor in consideration of the premises, the making of the said Mortgage, and the sum of One (\$1.00) Dollar now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), doth covenant and agree with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all rents reserved and payable under the Leases (including without limitation the specific leases referred to in Schedule "B" hereto annexed) and all benefits and advantages to be derived therefrom, to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee, permit any prepayment of rents payable under any of the Leases that will result in more than two months of such rents being prepaid under such Leases, or variation, cancellation or surrender of any of the Leases, or of the terms, covenants, provisos or conditions thereof.
3. The Assignor covenants with the Assignee to perform and observe all the covenants, conditions and obligations binding upon it under the Leases.
4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment and/or for enforcing anything in this Indenture herein contained in any or all of the following ways:
  - (a) in its own name;
  - (b) in the name of the Assignor, and

(c) in the names of both the Assignor and the Assignee jointly.

5. The Assignor agrees to assign any of the said Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.

6. PROVIDED, however, that until notified to the contrary in writing the Lessees shall pay the rent reserved under the Leases, (but only to the extent that the same may be due and payable under the Leases) to the said Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Lessee at its premises on the lands and premises described in Schedule "A" hereto or by delivering the same personally to any Lessee, or an officer of such Lessee.

7. The Assignor does hereby declare that any direction or request from the Assignee to pay the rents reserved to the Assignee shall be sufficient warrant and authority to the said Lessee to make such payments, and the payments of the said rentals to the Assignee shall be and operate as a discharge of the said rents to the said Lessee.

8. The Assignor covenants and agrees with the Assignee not to renew nor extend any of the Leases at rentals reserved and payable of lesser amounts than are now reserved and payable under such Leases unless compelled to do so as the result of an Arbitration Award, or with the consent of the Assignee.

9. The Assignee covenants and agrees with the Assignor to release this Assignment of Rents upon payment in full of the Mortgage in accordance with the terms thereof and that the Assignee will, at the request and cost of the Assignor, reassign any unmatured rents to the Assignor. In the absence of such a request the delivery to the Assignor of a discharge or cessation of the Mortgage shall operate as a release and reassignment of such rents.

10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

11. PROVIDED that nothing in this Indenture contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Lessees contained in any of the said Leases, and that the Assignee shall not by virtue of these presents be deemed a mortgagee in possession of the lands and premises described in Schedule "A" hereto and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of these presents.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

13. IT IS HEREBY DECLARED AND AGREED that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED

BEREKET & G HOLDINGS CORP.

Per: SA

DA  
Witness:

Per: \_\_\_\_\_

**SCHEDULE "A"**  
**Legal Description**

Plan B4  
Block 4  
Lot 239  
Excepting Thereout All Mines and Minerals

AND:

Plan B4  
Block 4  
Lot 240  
Excepting Thereout All Mines and Minerals

AND:

Plan B4  
Block 4  
Lot 241  
Excepting Thereout All Mines and Minerals

**SCHEDULE "B"**

LESSEE	LEASE DATE (MM/DD/YYYY)	EXPIRY DATE (MM/DD/YYYY)	REGISTRATION NO.

**This is Exhibit "F" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



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**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA**  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public

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**GENERAL SECURITY AGREEMENT - FLOATING CHARGE ON LAND**

**1. SECURITY INTEREST**

(a) For value received, the undersigned ("Debtor") hereby grants to **ROYAL BANK OF CANADA ("RBC")** a security interest, mortgage and charge (hereinafter collectively referred to as the "Security Interest") as hereinafter provided:

(i) a security interest in the undertaking of Debtor and all of Debtor's present and after acquired personal property including, without limitation, all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (A) all Inventory of whatever kind and wherever situate;
- (B) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (C) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured and whether arising in connection with an interest in real or personal property or otherwise, including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (D) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (E) all contractual rights and insurance claims;
- (F) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (G) all lists, records and files relating to debtors, customers, clients and patients;

(ii) a mortgage and charge as and by way of a floating charge, in all of Debtor's present and after acquired interest in property, assets and undertaking not secured in (i) above, including all real, immovable and leaseholds property and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including without limitation, all structures, plant and other fixtures now owned or hereafter owned or acquired by or on behalf of Debtor (hereinafter collectively referred to as "Real Property"); and

(iii) a security interest in all property described in Schedule "C" or any replacement or additional Schedule "C" now or hereafter annexed hereto; and a security interest in all proceeds and renewals thereof, accretions thereto and substitution therefor, all of the foregoing being hereinafter collectively referred to as the "Collateral".

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "equipment", "accession", "Money", "Account", "financing statement" and "financing charge statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act of the province where the herein mentioned branch of RBC is located, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such during the term of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Alberta). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligation, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of Debtor, Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

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**3. REPRESENTATIONS AND WARRANTIES OF DEBTOR**

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, lien claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claim or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Real Property and Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations;

(e) Debtor has disclosed to RBC all environmental and other matters which could have a material effect on the financial condition or operations of Debtor; and

(f) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

**4. COVENANTS OF THE DEBTOR**

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those shown in Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption; and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;



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(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral;
- (ii) the details of any significant acquisition of Collateral;
- (iii) the details of any claims or litigation affecting Debtor or Collateral;
- (iv) any loss or damage to Collateral;
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral; and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, caveats, mortgages, notices, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as RBC shall reasonably direct with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in accordance with all applicable laws, in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest; and

REVISION 4

- (i) to deliver to RBC from time to time promptly upon request:
  - (i) any Documents of Title, Instruments, Securities, Chattel Paper and duplicate certificates of title to Real Property constituting, representing or relating to Collateral;
  - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
  - (iii) all financial statements prepared by or for Debtor regarding Debtor's business;
  - (iv) all policies and certificates of insurance relating to Collateral; and
  - (v) such information concerning Collateral, Debtor and Debtor's business and affairs as RBC may reasonably request.

FORM 923 (07/2012)

**5. USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify compliance by Debtor with Debtor's obligations under this Security Agreement (including through inquiries with governmental agencies) and the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

**6. SECURITIES, INVESTMENT PROPERTY**

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

**7. COLLECTION OF DEBTS**

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to

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make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

**8. INCOME FROM AND INTEREST ON COLLATERAL**

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

**9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS**

(a) Whether or not default has occurred, Debtor authorizes RBC:

(i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly; and

(ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

**10. DISPOSITION OF MONEY**

Subject to any applicable requirements of the P.P.S.A. or other applicable law, all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

**11. EVENTS OF DEFAULT**

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

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(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a sale of a substantial portion of Debtor's assets or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon the assets of Debtor or any part thereof; and

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

**11A. REAL PROPERTY**

(a) For the purposes of any application to register a crystallized floating charge under the Land Title Act (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

- (i) any one of the events described in Clause 11 hereof;
- (ii) a declaration by RBC pursuant to Clause 12 hereof; or
- (iii) RBC taking any action pursuant to Clause 13 hereof to appoint a receiver or to enforce its Security Interest or realize upon all or any part of the Collateral.

(b) In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

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**12. ACCELERATION**

EFORM 823 07/2012

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or, if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

**13. REMEDIES**

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in its stead. Any such Receiver shall, so far as concerns responsibility for its acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any such Receiver, its servants, agents or employees. Subject to the provisions of the instrument appointing it, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor constituting Collateral or wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out its appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, lease, license or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper or prior

SECTION 4 SECURITY INTEREST

encumbrances on any Real Property whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses incurred by RBC or any Receiver or agent appointed by it, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis and auditors costs and other legal expenses and Receiver and agent remuneration), in operating Debtor's accounts, preparing or enforcing this Security Agreement, inspecting and determining the state of the Collateral, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A. or other applicable law.

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomsoever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

**14. MISCELLANEOUS**

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements, caveats, mortgages, forms, security notices and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off

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against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13 (g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several and, unless the context otherwise requires, a reference to "Debtor" herein shall be deemed to be a reference to each of the undersigned.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to anyone acquiring or who may acquire an interest in the Security Interest or the Collateral from RBC or anyone acting on behalf of RBC.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security

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Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13 (g) and 14 (k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:



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(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company; and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act and The Land Contracts (Actions) Act of the Province of Saskatchewan, or any provisions thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province where the herein mentioned branch of RBC is located including, where applicable, the P.P.S.A. and the Land Title Act.

**15. COPY OF AGREEMENT AND FINANCING STATEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of a financing statement or financing change statement registered by RBC or any verification statement pertaining to a registration by RBC.

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E-FORM 823 (07/2012)

**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)		
FIRST NAME	SECOND NAME	
ADDRESS OF INDIVIDUAL DEBTOR	DATE OF BIRTH YEAR MONTH DAY	
CITY	PROVINCE	POSTAL CODE

SURNAME (LAST NAME)		
FIRST NAME	SECOND NAME	
ADDRESS OF INDIVIDUAL DEBTOR	DATE OF BIRTH YEAR MONTH DAY	
CITY	PROVINCE	POSTAL CODE

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR BEREKET & G HOLDINGS CORP.		
ADDRESS OF BUSINESS DEBTOR 101 10301 109 STREET		
CITY EDMONTON	PROVINCE AB	POSTAL CODE T5J 1N4

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IN WITNESS WHEREOF Debtor has executed this Security Agreement on the date specified below.

EXECUTION DATE

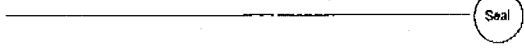
BEREKET & G HOLDINGS CORP.

*Signature*



WITNESS / OFFICER SIGNATURE\* (as to all signatures)

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Name:

\*\* Carrying on Business as:

\* Address

*10709-105 ST*  
(Principal Address)

\* Address

*Edmonton, AB*

\* Professional Capacity

(City, Town, etc. & Province)

**BRANCH ADDRESS**

EDMONTON SOUTH COMML  
9034 51ST AVE  
EDMONTON AB T6E 5X4

\* Officer certification required in B.C. only

**\* OFFICER CERTIFICATION**

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

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**AFFIDAVIT VERIFYING CORPORATE  
SIGNING AUTHORITY**

I, SEMERE BERHANE, of the City of Edmonton, in the Province of Alberta, MAKE OATH  
AND SAY:

1. THAT I am an Officer and a Director of BERKET & G HOLDINGS CORP. named in the within or annexed instrument.
2. THAT I am authorized by the Corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at the City of  
Edmonton, in the Province of Alberta  
this 22 day of January, 2018

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 ) SEMERE BERHANE  
 )

  
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 RICHARD A. FINLAY  
 Barrister and Solicitor

RICHARD A. FINLAY  
BARRISTER AND SOLICITOR  
NOTARY PUBLIC (MANAGED COMPANY)  
IN AND FOR ALBERTA

SECTION 44  
SECTION 44

E-FORM 923 (07/2012)

**SCHEDULE "A"**

(ENCUMBRANCES AFFECTING COLLATERAL)

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**SCHEDULE "B"**

**1. Locations of Debtor's Business Operations**

**101 10301 109 STREET  
EDMONTON, AB  
T5J 1N4**

**2. Locations of Records relating to Collateral (if different from 1. above)  
SAME AS ABOVE**


**3. Locations of Collateral (if different from 1. above)  
SAME AS ABOVE**

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**SCHEDULE "C"**  
(DESCRIPTION OF PROPERTY)

E-FORM 923 (07/2012)

**This is Exhibit "G" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**





ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
# 172 117 967

REGISTRATION  
NUMBER      DATE (D/M/Y)      PARTICULARS

TORONTO  
ONTARIO M2P0A4  
ORIGINAL PRINCIPAL AMOUNT: \$3,750,000

182 032 297    05/02/2018 CAVEAT  
RE : ASSIGNMENT OF RENTS AND LEASES  
CAVEATOR - ROYAL BANK OF CANADA.  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO  
ONTARIO M2P0A4  
AGENT - RICHARD A FINLAY

TOTAL INSTRUMENTS: 004

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 27 DAY OF  
FEBRUARY, 2024 AT 02:05 P.M.

ORDER NUMBER:    49836784

CUSTOMER FILE NUMBER:    444689.01



\*END OF CERTIFICATE\*

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,  
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM  
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,  
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS  
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).



ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
# 172 117 967 +1

REGISTRATION  
NUMBER DATE (D/M/Y) PARTICULARS

TORONTO  
ONTARIO M2P0A4  
ORIGINAL PRINCIPAL AMOUNT: \$3,750,000

182 032 297 05/02/2018 CAVEAT  
RE : ASSIGNMENT OF RENTS AND LEASES  
CAVEATOR - ROYAL BANK OF CANADA.  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO  
ONTARIO M2P0A4  
AGENT - RICHARD A FINLAY

182 035 942 08/02/2018 BUILDER'S LIEN  
LIENOR - ABDIFATAH FARAH  
O/A BUDGET MAINTENANCE  
607, 8520 JASPER AVE  
EDMONTON  
ALBERTA T5H3S4  
AMOUNT: \$17,993

TOTAL INSTRUMENTS: 005

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ENCUMBRANCES, LIENS & INTERESTS

PAGE 2  
# 172 117 967 +2

REGISTRATION  
NUMBER      DATE (D/M/Y)      PARTICULARS

TORONTO  
ONTARIO M2P0A4  
ORIGINAL PRINCIPAL AMOUNT: \$3,750,000

182 032 297    05/02/2018 CAVEAT  
RE : ASSIGNMENT OF RENTS AND LEASES  
CAVEATOR - ROYAL BANK OF CANADA.  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO  
ONTARIO M2P0A4  
AGENT - RICHARD A FINLAY

TOTAL INSTRUMENTS: 004

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PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

**This is Exhibit "H" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

Search ID #: Z17094687

**Transmitting Party**

BORDEN LADNER GERVAIS LLP

Centennial Place, East Tower  
1900, 520-3rd Avenue SW  
CALGARY, AB T2P 0R3

Party Code: 50008002  
Phone #: 403 232 9500  
Reference #: 444689.01

Search ID #: Z17094687

Date of Search: 2024-Feb-27

Time of Search: 13:54:02

**Business Debtor Search For:**

BEREKET & G HOLDINGS CORP.

Exact Result(s) Only Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.





Search ID #: Z17094687

**Business Debtor Search For:**

BEREKET & G HOLDINGS CORP.

Search ID #: Z17094687

Date of Search: 2024-Feb-27

Time of Search: 13:54:02

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Registration Number: 18011221159

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Jan-12

Registration Status: Current

Expiry Date: 2028-Jan-12 23:59:59

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Exact Match on:

Debtor

No: 1

---

**Amendments to Registration**

22122218097

Renewal

2022-Dec-22

---

**Debtor(s)**

**Block**

**Status**

Current

1 BEREKET & G HOLDINGS CORP.  
101 10301 109 STREET  
EDMONTON, AB T5J 1N4

**Secured Party / Parties**

**Block**

**Status**

Current

1 ROYAL BANK OF CANADA  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO, ON M2P 0A4

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z17094687

**Business Debtor Search For:**

BEREKET & G HOLDINGS CORP.

Search ID #: Z17094687

Date of Search: 2024-Feb-27

Time of Search: 13:54:02

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Registration Number: 18011224029

Registration Date: 2018-Jan-12

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

1 BEREKET & G HOLDINGS CORP.  
101 10301 109 STREET  
EDMONTON, AB T5J 1N4

**Status**

Current

**Secured Party / Parties**

**Block**

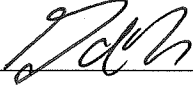
1 ROYAL BANK OF CANADA  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO, ON M2P 0A4

**Status**

Current

Result Complete

**This is Exhibit "I" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



Royal Bank of Canada  
Guarantee and Postponement of Claim

SRF: 579114638  
Borrower: BERKET & G HOLDINGS CORP.

9034 51ST AVE  
EDMONTON  
ALBERTA  
T6E 5X4  
CA

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by BERKET & G HOLDINGS CORP. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of \$2,812,500.00 together with interest thereon from the date of demand for payment at a rate equal to the Bank's Prime Interest Rate plus 5.00 percent per annum as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee; and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

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(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

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be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ALBERTA ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

(Applicable in all P.R.S.A. except Ontario.)

Please do not write in this area



RBC579114638003004000812

EXECUTED this

JAN 22 2018  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

*Jordan Valentin*

Witness Signature:

*Jordan Valentin*

Name:

HABESHA AFRICAN SUPERMARKET LTD.

*SBA*

*Semere Berhane*

Director

Witness Signature:

Name:

Insert the full name and address of Guarantor (Undersigned above).

Full name and address

HABESHA AFRICAN SUPERMARKET LTD.  
101 10301 109 STREET  
EDMONTON  
ALBERTA  
T5J1N4  
CA

Please do not write in this area



RBC579114638004004000812

**This is Exhibit "J" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**





Royal Bank of Canada  
Guarantee and Postponement of Claim

SRF: 579114638  
Borrower: BEREKET & G HOLDINGS CORP.

9034 51ST AVE  
EDMONTON  
ALBERTA  
T6E 5X4  
CA

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **BEREKET & G HOLDINGS CORP.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$2,812,500.00** together with interest thereon from the date of demand for payment at a rate equal to the **Bank's Prime Interest Rate plus 5.00 percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

Please do not write in this area



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(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall

Please do not write in this area



RBC579114638002005000812

be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, an every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the province of ALBERTA ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in all P.R.S.A. except Ontario) (18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

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EXECUTED this JAN - 22 - 2018  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

Witness Signature: [Signature]

Name: Richard Finlay

[Signature]  
SEMERE TESHAMICHAEL BERHANE

Insert the full name and address of Guarantor (Undersigned above).

Full name and address

SEMERE TESHAMICHAEL BERHANE  
14608 94 STREET NW  
EDMONTON  
ALBERTA  
T5E3W5  
CA

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(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

To be completed only when the guarantor is not a corporation)

**THE GUARANTEE'S ACKNOWLEDGEMENT ACT, (ALBERTA)  
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

(1) SEMERE TESHAMICHAEL BERHANE, the guarantor in the guarantee dated January 22, 2018 made between ROYAL BANK OF CANADA and SEMERE TESHAMICHAEL BERHANE, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by Richard Finlay, Barrister and Solicitor at the City of Edmonton, in the Province of Alberta, this 22 day of January, 2018.



Signature

RICHARD A. FINLAY  
BARRISTER AND SOLICITOR

NOTARY PUBLIC/COMMISSIONER FOR OATHS  
IN AND FOR ALBERTA

**STATEMENT OF GUARANTOR**

(Guarantor to sign in presence of Barrister and Solicitor)

I am the person named in the certificate



Signature of Guarantor

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**This is Exhibit "K" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



Royal Bank of Canada  
General Security Agreement

SRF: 579414988  
Borrower: HABESHA AFRICAN SUPERMARKET LTD.

9034 51ST AVE  
EDMONTON  
ALBERTA  
T6E 5X4  
CA

## 1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment

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"Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

## 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

## 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

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(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied; assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

(i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to

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Collateral,

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

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## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the Institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or

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any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and

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other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor,

Please do not write in this area



RBC579414988008012000924

and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

**16. Debtor represents and warrants that the following information is accurate:**

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR HABESHA AFRICAN SUPERMARKET LTD.			
ADDRESS OF BUSINESS DEBTOR 101 10301 109 STREET	CITY EDMONTON	PROVINCE ALBERTA	POSTAL CODE T5J1N4

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 22 day January 2018

*Jordan Velasquez*

WITNESSES

*Jordan Velasquez*

HABESHA AFRICAN SUPERMARKET LTD.

*[Signature]*

Seal

*Semere Berhane*

WITNESSES

*Director.*

Seal

Please do not write in this area



RBC579414988009012000924

**SCHEDULE "A"**

**(ENCUMBRANCES AFFECTING COLLATERAL)**

Please do not write in this area



RBC579414988010012000924



## SCHEDULE "B"

### 1. Locations of Debtor's Business Operations

101 10301 109 STREET,  
EDMONTON  
ALBERTA  
CA  
T5J1N4

### 2. Locations of Records relating to Collateral

101 10301 109 STREET,  
EDMONTON  
ALBERTA  
CA  
T5J1N4

### 3. Locations of Collateral

101 10301 109 STREET,  
EDMONTON  
ALBERTA  
CA  
T5J1N4

Please do not write in this area



RBC579414988011012000924

**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

Please do not write in this area



RBC579414988012012000924

**This is Exhibit "L" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**

A handwritten signature in black ink, appearing to read 'GDR', is written above a horizontal line.

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

Search ID #: Z17094680

**Transmitting Party**

BORDEN LADNER GERVAIS LLP

Centennial Place, East Tower  
1900, 520-3rd Avenue SW  
CALGARY, AB T2P 0R3

Party Code: 50008002  
Phone #: 403 232 9500  
Reference #: 444689.01

Search ID #: Z17094680

Date of Search: 2024-Feb-27

Time of Search: 13:53:21

**Business Debtor Search For:**

HABESHA AFRICAN SUPERMARKET LTD.

Exact Result(s) Only Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.



Search ID #: Z17094680

**Business Debtor Search For:**

HABESHA AFRICAN SUPERMARKET LTD.

Search ID #: Z17094680

Date of Search: 2024-Feb-27

Time of Search: 13:53:21

---

Registration Number: 18011222085

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Jan-12

Registration Status: Current

Expiry Date: 2028-Jan-12 23:59:59

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Exact Match on:

Debtor

No: 1

---

**Amendments to Registration**

22122218116

Renewal

2022-Dec-22

---

**Debtor(s)**

**Block**

**Status**

Current

1 HABESHA AFRICAN SUPERMARKET LTD.  
101 10301 109 STREET  
EDMONTON, AB T5J 1N4

---

**Secured Party / Parties**

**Block**

**Status**

Current

1 ROYAL BANK OF CANADA  
36 YORK MILLS ROAD, 4TH FLOOR  
TORONTO, ON M2P 0A4

---

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z17094680

**Business Debtor Search For:**

HABESHA AFRICAN SUPERMARKET LTD.

Search ID #: Z17094680

Date of Search: 2024-Feb-27

Time of Search: 13:53:21

Registration Number: 23070302264

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-03

Registration Status: Current

Expiry Date: 2026-Jul-03 23:59:59

Exact Match on: Debtor No: 2

**Amendments to Registration**

23070609610

Amendment

2023-Jul-06

**Debtor(s)**

**Block**

1 HABESHA AFRICAN SUPERMARKET LT  
10418 107 AVE NW  
EDMONTON, AB T5H0W1

**Status**

Deleted by  
23070609610

**Block**

2 HABESHA AFRICAN SUPERMARKET LTD  
10418 107 AVE NW  
EDMONTON, AB T5H0W1

**Status**

Current by  
23070609610

**Secured Party / Parties**

**Block**

1 HONDA CANADA FINANCE INC.  
180 HONDA BLVD  
MARKHAM, ON L6C0H9  
Email: albertaprod@teranet.ca

**Status**

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	5J8TC2H66PL804144	2023	ACURA RDX	MV - Motor Vehicle	Current

Search ID #: Z17094680

**Business Debtor Search For:**

HABESHA AFRICAN SUPERMARKET LTD.

Search ID #: Z17094680

Date of Search: 2024-Feb-27

Time of Search: 13:53:21

Registration Number: 23091416888

Registration Type: WORKERS' COMPENSATION BOARD CHARGE

Registration Date: 2023-Sep-14

Registration Status: Current

Registration Term: Infinity

The WCB Charge Amount is \$1,418.75

Exact Match on: Debtor No: 1

**Amendments to Registration**

23112314961

Amendment

2023-Nov-23

**Debtor(s)**

**Block**

**Status**  
Current

1 HABESHA AFRICAN SUPERMARKET LTD.  
10418 107 AVE NW  
EDMONTON, AB T5H 0W1

**Secured Party / Parties**

**Block**

**Status**  
Current

1 WORKERS' COMPENSATION BOARD/COLLECTION UNIT  
9912 107 STREET  
EDMONTON, AB T5K 1G5  
Phone #: 780 509 1395 Fax #: 780 498 7999

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1	5J8TC2H66PL804144	2023	ACURA RDX	MV - Motor Vehicle	Current By 23112314961
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**Collateral: General**

**Block**

**Description**

**Status**

1	ALL PRESENT AND AFTER-ACQUIRED PROPERTY AND ALL PROPERTY USED IN CONNECTION, PURSUANT TO WCB ACT S129	Current
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Search ID #: Z17094680

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	WCB ACCOUNT #8604860	Current

Result Complete



**This is Exhibit "M" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

Myles Fish  
T 403-232-9764  
F 403-266-1395  
mfish@blg.com  
File No: 404600.001199

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



**DELIVERED BY REGISTERED MAIL AND EMAIL ([habeshayeg@gmail.com](mailto:habeshayeg@gmail.com))**

March 13, 2024

BEREKET & G HOLDINGS CORP.  
2433 San Fortunato St NW  
Edmonton, AB T5E 5V3

BEREKET & G HOLDINGS CORP.  
101 10301 109 Street  
Edmonton, AB T5J 1N4

**Attention: Semere Berhane, Director**

Dear Sir:

**Re: Loan agreement dated January 22, 2018 between Royal Bank of Canada (“RBC”) as lender and Bereket & G Holdings Corp. as borrower (the “Borrower”), as amended and renewed (the “Loan Agreement”)**

**Collateral Mortgage of the Borrower dated January 22, 2018 regarding the lands set out in the Schedule “A” attached hereto (the “Lands”), as renewed (the “Mortgage”)**

We are counsel to RBC with respect to the above-noted Loan and related security, which includes the Mortgage as well as, *inter alia*, the following collateral security (collectively, the “Security”):

- a) a General Security Agreement, dated January 22, 2018;
- b) an Assignment of Rents, dated January 22, 2018;
- c) a Guarantee and Postponement of Claim granted by Habesha African Supermarket Ltd., dated January 22, 2018; and
- d) a Guarantee and Postponement of Claim granted by Semere Tesfamichael Berhane, dated January 22, 2018.

The Borrower is in default of the Loan Agreement, Mortgage, and such other security by, among other things, failing to make payments when due and owing. In particular, the Mortgage has matured and the Borrower has failed to pay amounts due and owing.

Accordingly, we hereby demand, on behalf of RBC, payment of the entire amount outstanding pursuant to the Loan Agreement and Mortgage, being **\$2,534,212.80** as at March 7, 2024, **plus per diem interest in the amount of \$518.45 and costs continuing to accrue thereon.**

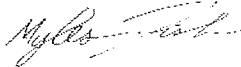
If the aforesaid sum, together with additional accrued interest and costs, is not provided to our office by way of cash, certified cheque or money order within ten (10) days of the date of this correspondence, RBC will proceed with any and all remedies available to it to collect the said amount from the Borrower including enforcement of the assets securing this indebtedness.

We also enclose a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada), which is provided to you. If the Borrower consents to RBC taking earlier enforcement, please return the enclosed consent to the undersigned.

Kindly govern yourselves accordingly.

Yours truly,

**BORDEN LADNER GERVAIS LLP**

A handwritten signature in cursive script, appearing to read "Myles Fish", written over a horizontal line.

**MYLES FISH**

cc. Client

Enclosure

**SCHEDULE "A"**

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**BANKRUPTCY AND INSOLVENCY ACT**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**Subsection 244(1)**  
**Form 86**

**TO:** BEREKET & G HOLDINGS CORP. (the “**Debtor**”), an insolvent person.

**TAKE NOTICE THAT:**

1. Royal Bank of Canada (the “**Secured Creditor**”) intends to enforce its security on the Debtor’s property including, but not limited to:
  - a. The lands legally described as (collectively, the “**Lands**”):

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS;
  - b. All leases relating to the Lands and rents payable to the Debtor therefrom; and
  - c. All present and after-acquired personal property and proceeds of the Debtor, and all accessions thereto and substitutions therefor.
2. The security that is to be enforced includes, but is not limited to (collectively, the “**Security**”):
  - a. a General Security Agreement, dated January 22, 2018;
  - b. an Assignment of Rents, dated January 22, 2018; and
  - c. a Collateral Mortgage, dated January 22, 2018.
3. The total amount of indebtedness secured by the Security as at March 7, 2024 is **\$2,534,212.80**, plus interest, legal fees and other recoverable costs continuing to accrue thereon.

4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

**DATED** at Calgary, Alberta this 13<sup>th</sup> day of March, 2024.

**ROYAL BANK OF CANADA**

by its solicitors and agents Borden Ladner Gervais LLP

Per:  \_\_\_\_\_

Myles Fish

**CONSENT AND WAIVER**

**THE UNDERSIGNED** hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the 10-day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244 Notice dated March 13, 2024.

**DATED** at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_ 2024.

**BEREKET & G HOLDINGS CORP.**

Per: \_\_\_\_\_

Name:

Title

**This is Exhibit "N" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



**Myles Fish**  
T 403-232-9764  
F 403-266-1395  
mfish@blg.com  
File No: 404600.001199

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



**DELIVERED BY REGISTERED MAIL AND EMAIL ([habeshayeg@gmail.com](mailto:habeshayeg@gmail.com))**

March 13, 2024

HABESHA AFRICAN SUPERMARKET LTD.  
101 10301 109 Street  
Edmonton, AB T5J 1N4

HABESHA AFRICAN SUPERMARKET LTD.  
10418 107 Ave NW  
Edmonton, AB T5H 0W1

**Attention: Semere Berhane, Director**

Dear Sir:

**Re: Loan Agreement dated January 22, 2018 between Royal Bank of Canada as lender (“RBC”) and Bereket & G Holdings Corp. as borrower (the “Borrower”), as amended and renewed (the “Loan Agreement”)**

**Guarantee and Postponement of Claim granted by Habesha African Supermarket Ltd. (“Habesha”, or the “Guarantor”) dated January 22, 2018 (the “Guarantee”)**

We are counsel to RBC with respect to the Loan Agreement and related security, which includes the Guarantee.

Pursuant to the Guarantee, and among other things, the Guarantor guaranteed to RBC repayment of, without limitation, all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC. Notwithstanding the foregoing, the Guarantor’s liability is limited to:

- a) the principal sum of \$2,812,500.00;
  - b) interest on such principal sum of \$2,812,500 computed from the date of demand at a rate equal to RBC’s prime interest rate plus 5% per annum; and
  - c) RBC’s legal costs on a solicitor-and-his-own client basis incurred to enforce the Guarantee
- (collectively, the “**Guarantee Amount**”).

The Guarantee further states, among other things, that all indebtedness and liability of the Borrower to the Guarantor is assigned to RBC and all moneys received by the Guarantor in respect thereof are received in trust for RBC and forthwith upon receipt shall be paid over to RBC without in any way limiting or lessening the liability of the Guarantor under the Guarantee.

The Guarantor’s obligations to RBC, under the Guarantee, are secured by a General Security Agreement, dated January 22, 2018 (the “**GSA**”).

As of the date hereof, the Borrower is in default of the Loan Agreement and such other security by, among other things, failing to make payment in full upon maturity. Consequently, RBC is entitled to, and has

demanded from the Borrower, repayment in full of all amounts due and owing under the Loan Agreement and security, which as of March 7, 2024 totals **\$2,534,212.80**, together with all interest, legal fees and other chargeable costs continuing to accrue thereon (the "Indebtedness"). A copy of RBC's demand upon the Borrower is enclosed for your reference.

Accordingly, please consider this letter as the formal demand by RBC upon Habesha, as Guarantor, pursuant to the Guarantee, for:

1. Payment in full of the Guarantee Amount, up to the amount of the Indebtedness; and
2. Payment to RBC of any amounts received by the Guarantor from the Borrower, which are held in trust for RBC.

Please be advised that if the said payments are not made within 10 days of the date of this letter, RBC will proceed to take any and all steps it deems necessary to recover such amounts from you including, without limitation, commencing an action and/or enforcing RBC's rights and remedies under the Guarantee and GSA.

We also enclose a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada), which is provided to you. If the Guarantor consents to RBC taking earlier enforcement, please return the enclosed consent to the undersigned.

Kindly govern yourself accordingly.

Yours truly,

**BORDEN LADNER GERVAIS LLP**



MYLES FISH

cc. Client

Enclosure

**BANKRUPTCY AND INSOLVENCY ACT**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**Subsection 244(1)**  
**Form 86**

**TO:** HABESHA AFRICAN SUPERMARKET LTD. (the “**Debtor**”), an insolvent person.

**TAKE NOTICE THAT:**

1. Royal Bank of Canada (the “**Secured Creditor**”) intends to enforce its security on the Debtor’s property including, but not limited to:
  - a. All indebtedness and liability of Bereket & G Holdings Corp. to the Debtor and all moneys received by the Debtor in respect thereof; and
  - b. All present and after-acquired personal property and proceeds of the Debtor, and all accessions thereto and substitutions therefor.
2. The security that is to be enforced includes but is not limited to (collectively, the “**Security**”):
  - a. a Guarantee and Postponement of Claim granted by the Debtor, dated January 22, 2018; and
  - b. a General Security Agreement, dated January 22, 2018.
3. The total amount of indebtedness secured by the Security as at March 7, 2024 is **\$2,534,212.80**, plus interest, legal fees and other recoverable costs continuing to accrue thereon.
4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

**DATED** at Calgary, Alberta this 13<sup>th</sup> day of March, 2024.

**ROYAL BANK OF CANADA**

by its solicitors and agents Borden Ladner Gervais LLP

Per: \_\_\_\_\_

Myles Fish

**CONSENT AND WAIVER**

**THE UNDERSIGNED** hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the 10-day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244 Notice dated March 13, 2024.

**DATED** at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_ 2024.

**HABESHA AFRICAN SUPERMARKET LTD.**

Per: \_\_\_\_\_

Name:

Title

**Myles Fish**  
T 403-232-9764  
F 403-266-1395  
mfish@blg.com  
File No: 404600.001199

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



**DELIVERED BY REGISTERED MAIL AND EMAIL ([habeshayeg@gmail.com](mailto:habeshayeg@gmail.com))**

March 13, 2024

BEREKET & G HOLDINGS CORP.  
2433 San Fortunato St NW  
Edmonton, AB T5E 5V3

BEREKET & G HOLDINGS CORP.  
101 10301 109 Street  
Edmonton, AB T5J 1N4

**Attention: Semere Berhane, Director**

Dear Sir:

**Re: Loan agreement dated January 22, 2018 between Royal Bank of Canada (“RBC”) as lender and Bereket & G Holdings Corp. as borrower (the “Borrower”), as amended and renewed (the “Loan Agreement”)**

**Collateral Mortgage of the Borrower dated January 22, 2018 regarding the lands set out in the Schedule “A” attached hereto (the “Lands”), as renewed (the “Mortgage”)**

We are counsel to RBC with respect to the above-noted Loan and related security, which includes the Mortgage as well as, *inter alia*, the following collateral security (collectively, the “Security”):

- a) a General Security Agreement, dated January 22, 2018;
- b) an Assignment of Rents, dated January 22, 2018;
- c) a Guarantee and Postponement of Claim granted by Habesha African Supermarket Ltd., dated January 22, 2018; and
- d) a Guarantee and Postponement of Claim granted by Semere Tesfamichael Berhane, dated January 22, 2018.

The Borrower is in default of the Loan Agreement, Mortgage, and such other security by, among other things, failing to make payments when due and owing. In particular, the Mortgage has matured and the Borrower has failed to pay amounts due and owing.

Accordingly, we hereby demand, on behalf of RBC, payment of the entire amount outstanding pursuant to the Loan Agreement and Mortgage, being **\$2,534,212.80** as at March 7, 2024, **plus per diem interest in the amount of \$518.45 and costs continuing to accrue thereon.**

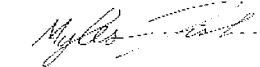
If the aforesaid sum, together with additional accrued interest and costs, is not provided to our office by way of cash, certified cheque or money order within ten (10) days of the date of this correspondence, RBC will proceed with any and all remedies available to it to collect the said amount from the Borrower including enforcement of the assets securing this indebtedness.

We also enclose a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada), which is provided to you. If the Borrower consents to RBC taking earlier enforcement, please return the enclosed consent to the undersigned.

Kindly govern yourselves accordingly.

Yours truly,

**BORDEN LADNER GERVAIS LLP**

A handwritten signature in cursive script, appearing to read "Myles Fish", written over a horizontal line.

**MYLES FISH**

cc. Client

Enclosure

**SCHEDULE "A"**

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**BANKRUPTCY AND INSOLVENCY ACT**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**Subsection 244(1)**  
**Form 86**

**TO:** BEREKET & G HOLDINGS CORP. (the “Debtor”), an insolvent person.

**TAKE NOTICE THAT:**

1. Royal Bank of Canada (the “Secured Creditor”) intends to enforce its security on the Debtor’s property including, but not limited to:
  - a. The lands legally described as (collectively, the “Lands”):

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
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PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS;
  - b. All leases relating to the Lands and rents payable to the Debtor therefrom; and
  - c. All present and after-acquired personal property and proceeds of the Debtor, and all accessions thereto and substitutions therefor.
2. The security that is to be enforced includes, but is not limited to (collectively, the “Security”):
  - a. a General Security Agreement, dated January 22, 2018;
  - b. an Assignment of Rents, dated January 22, 2018; and
  - c. a Collateral Mortgage, dated January 22, 2018.
3. The total amount of indebtedness secured by the Security as at March 7, 2024 is **\$2,534,212.80**, plus interest, legal fees and other recoverable costs continuing to accrue thereon.

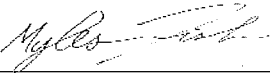


4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Calgary, Alberta this 13<sup>th</sup> day of March, 2024.

**ROYAL BANK OF CANADA**

by its solicitors and agents Borden Ladner Gervais LLP

Per:  \_\_\_\_\_

Myles Fish

**CONSENT AND WAIVER**

**THE UNDERSIGNED** hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the 10-day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244 Notice dated March 13, 2024.

**DATED** at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_ 2024.

**BEREKET & G HOLDINGS CORP.**

Per: \_\_\_\_\_

Name:

Title

**Myles Fish**  
T 403-232-9764  
F 403-266-1395  
mfish@blg.com  
File No: 404600.001199

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
blg.com



**DELIVERED BY REGISTERED MAIL AND EMAIL ([habeshayeg@gmail.com](mailto:habeshayeg@gmail.com))**

March 13, 2024

**Semere Tesfamichael Berhane**  
14608 94 Street NW  
Edmonton, AB T5E 3W5

Dear Sir:

**Re: Loan Agreement dated January 22, 2018 between Royal Bank of Canada as lender (“RBC”) and Bereket & G Holdings Corp. as borrower (the “Borrower”), as amended and renewed (the “Loan Agreement”)**

**Guarantee and Postponement of Claim granted by Semere Tesfamichael Berhane (“you”, or the “Guarantor”) dated January 22, 2018 (the “Guarantee”)**

We are counsel to RBC with respect to the Loan Agreement and related security, which includes the Guarantee.

Pursuant to the Guarantee, and among other things, you guaranteed to RBC repayment of, without limitation, all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC. Notwithstanding the foregoing, your liability as Guarantor is limited to:

- a) the principal sum of \$2,812,500.00;
- b) interest on such principal sum of \$2,812,500 computed from the date of demand at a rate equal to RBC’s prime interest rate plus 5% per annum; and
- c) RBC’s legal costs on a solicitor-and-his-own client basis incurred to enforce the Guarantee

(collectively, the “**Guarantee Amount**”).

The Guarantee further states, among other things, that all indebtedness and liability of the Borrower to the Guarantor is assigned to RBC, and all moneys received by the Guarantor in respect thereof are received in trust for RBC and forthwith upon receipt shall be paid over to RBC without in any way limiting or lessening the liability of the Guarantor under the Guarantee.

As of the date hereof, the Borrower is in default of the Loan Agreement and such other security by, among other things, failing to make payment in full upon maturity. Consequently, RBC is entitled to, and has demanded from the Borrower, repayment in full of all amounts due and owing under the Loan Agreement and security, which as of March 7, 2024 totals **\$2,534,212.80**, together with all interest, legal fees and other chargeable costs continuing to accrue thereon (the “**Indebtedness**”). A copy of RBC’s formal demand upon the Borrower is enclosed for your reference.

Accordingly, please consider this letter as the formal demand by RBC upon you, as Guarantor, pursuant to the Guarantee, for:

1. Payment of the Guarantee Amount, up to the amount of the Indebtedness; and
2. Payment to RBC of any amounts received by you from the Borrower, which are held in trust for RBC.

Please be advised that if the said payments are not made within 10 days of the date of this letter, RBC will proceed to take any and all steps it deems necessary to recover such amounts from you including, without limitation, commencing an action and enforcing RBC's rights and remedies under the Guarantee.

Kindly govern yourself accordingly.

Yours truly,

**BORDEN LADNER GERVAIS LLP**



**MYLES FISH**

cc. Client

Enclosure

**Myles Fish**  
T 403-232-9764  
F 403-266-1395  
[mfish@blg.com](mailto:mfish@blg.com)  
File No: 404600.001199

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary, AB, Canada T2P 0R3  
T 403.232.9500  
F 403.266.1395  
[blg.com](http://blg.com)



**DELIVERED BY REGISTERED MAIL AND EMAIL ([habeshayeg@gmail.com](mailto:habeshayeg@gmail.com))**

March 13, 2024

BEREKET & G HOLDINGS CORP.  
2433 San Fortunato St NW  
Edmonton, AB T5E 5V3

BEREKET & G HOLDINGS CORP.  
101 10301 109 Street  
Edmonton, AB T5J 1N4

**Attention: Semere Berhane, Director**

Dear Sir:

**Re: Loan agreement dated January 22, 2018 between Royal Bank of Canada (“RBC”) as lender and Bereket & G Holdings Corp. as borrower (the “Borrower”), as amended and renewed (the “Loan Agreement”)**

**Collateral Mortgage of the Borrower dated January 22, 2018 regarding the lands set out in the Schedule “A” attached hereto (the “Lands”), as renewed (the “Mortgage”)**

We are counsel to RBC with respect to the above-noted Loan and related security, which includes the Mortgage as well as, *inter alia*, the following collateral security (collectively, the “Security”):

- a) a General Security Agreement, dated January 22, 2018;
- b) an Assignment of Rents, dated January 22, 2018;
- c) a Guarantee and Postponement of Claim granted by Habesha African Supermarket Ltd., dated January 22, 2018; and
- d) a Guarantee and Postponement of Claim granted by Semere Tesfamichael Berhane, dated January 22, 2018.

The Borrower is in default of the Loan Agreement, Mortgage, and such other security by, among other things, failing to make payments when due and owing. In particular, the Mortgage has matured and the Borrower has failed to pay amounts due and owing.

Accordingly, we hereby demand, on behalf of RBC, payment of the entire amount outstanding pursuant to the Loan Agreement and Mortgage, being **\$2,534,212.80** as at March 7, 2024, **plus per diem interest in the amount of \$518.45 and costs continuing to accrue thereon.**

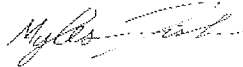
If the aforesaid sum, together with additional accrued interest and costs, is not provided to our office by way of cash, certified cheque or money order within ten (10) days of the date of this correspondence, RBC will proceed with any and all remedies available to it to collect the said amount from the Borrower including enforcement of the assets securing this indebtedness.

We also enclose a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada), which is provided to you. If the Borrower consents to RBC taking earlier enforcement, please return the enclosed consent to the undersigned.

Kindly govern yourselves accordingly.

Yours truly,

**BORDEN LADNER GERVAIS LLP**



**MYLES FISH**

cc. Client

Enclosure

**SCHEDULE "A"**

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**BANKRUPTCY AND INSOLVENCY ACT**  
**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**Subsection 244(1)**  
**Form 86**

**TO:** BEREKET & G HOLDINGS CORP. (the “**Debtor**”), an insolvent person.

**TAKE NOTICE THAT:**

1. Royal Bank of Canada (the “**Secured Creditor**”) intends to enforce its security on the Debtor’s property including, but not limited to:
  - a. The lands legally described as (collectively, the “**Lands**”):

PLAN B4  
BLOCK 4  
LOT 239  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 240  
EXCEPTING THEREOUT ALL MINES AND MINERALS

PLAN B4  
BLOCK 4  
LOT 241  
EXCEPTING THEREOUT ALL MINES AND MINERALS;
  - b. All leases relating to the Lands and rents payable to the Debtor therefrom; and
  - c. All present and after-acquired personal property and proceeds of the Debtor, and all accessions thereto and substitutions therefor.
2. The security that is to be enforced includes, but is not limited to (collectively, the “**Security**”):
  - a. a General Security Agreement, dated January 22, 2018;
  - b. an Assignment of Rents, dated January 22, 2018; and
  - c. a Collateral Mortgage, dated January 22, 2018.
3. The total amount of indebtedness secured by the Security as at March 7, 2024 is **\$2,534,212.80**, plus interest, legal fees and other recoverable costs continuing to accrue thereon.

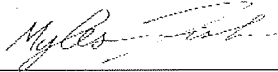


4. The Secured Creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

**DATED** at Calgary, Alberta this 13<sup>th</sup> day of March, 2024.

**ROYAL BANK OF CANADA**

by its solicitors and agents Borden Ladner Gervais LLP

Per:  \_\_\_\_\_

Myles Fish

**CONSENT AND WAIVER**

**THE UNDERSIGNED** hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the 10-day period of notice required under Section 244 of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244 Notice dated March 13, 2024.

DATED at \_\_\_\_\_, \_\_\_\_\_, this \_\_\_\_ day of \_\_\_\_\_ 2024.


**BEREKET & G HOLDINGS CORP.**

Per: \_\_\_\_\_

Name:

Title

**This is Exhibit "O" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



# Property Tax Search

Date: March 4, 2024

Account: 3794245

The information displayed below is the most recent information for the tax year indicated at the time of this request.

Property Address: 10418 107 AVENUE NW EDMONTON AB T5H 0W1

Legal Description: Plan: B4 Block: 4 Lot: 241 / Plan: B4 Block: 4 Lot: 240 / Plan: B4 Block: 4 Lot: 239

Assessed Parcel Description: Lots 239 to 241 Inclusive

Mortgage Company Billed: No Monthly Payment Plan:

Valuation Group: RETAIL

Community Revitalization Levy Area:

Owner Name:

Owners Address:

Remarks:

Assessment Year: 2024

Assessment: 2,920,500

Year Built: 1976

Land Use Description

Tax Class

Taxable Status

202 Two-storey retail building

COMMERCIAL

100 %

202: (100%): FULLY TAXABLE JAN-2024 TO DEC-2024

Property Tax		Account Status	
<b>Prior Year: 2023</b>			
Taxes:	\$29,532.22	Tax Arrears:	\$34,034.08
Annual Local Improvements:	\$62.64	Penalty:	<u>\$1,276.29</u>
Annual CEIP:	\$ .00	Arrears Sub-Total:	\$35,310.37
Total Prior Year Taxes:	\$29,594.86		
<b>Tax Year: 2024</b>			
Taxes:	\$ .00	Current Taxes:	\$ .00
Annual Local Improvements:**	\$ .00	Penalty:	<u>\$ .00</u>
Annual CEIP: ***	\$ .00	Current Sub-Total:	\$ .00
Total Current Year Taxes:	\$ .00	Other Charges:	\$ .00
		Penalty:	<u>\$ .00</u>
		Other Charges Sub-Total:	\$ .00
		<b>Total Balance Owing on March 4, 2024</b>	<b>\$35,310.37</b>

Disclaimer: The balance on this report is conditional upon all payments clearing the City's and the payer's bank. In the event that any such payment is rejected or is not completed, or additional charges are incurred in the clearing of a payment, the amount of the payment and any additional charges incurred will be added to the account without further notice. The City of Edmonton accepts no liability from the reliance of any party on the contents of this report. Individuals who require certification of the current amount of taxes imposed, or the total amount of taxes owing should request a Tax Certificate from the City of Edmonton. (Errors and Omissions excepted).

\*\* For information on newly constructed or proposed local improvements that may affect the property, contact 311 (780-442-5311 if outside Edmonton).

QUESTIONS? Visit [edmonton.ca/taxes](http://edmonton.ca/taxes) e-mail [taxes@edmonton.ca](mailto:taxes@edmonton.ca) call 311 (780-442-5311)

Edmonton Service Centre, Edmonton Tower, 2nd Floor 10111 - 104 Ave NW, Edmonton AB T5J 0J4



**This is Exhibit "P" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

Operations and Risk Management

Albertans working—a safe, healthy and strong Alberta.



January 31, 2024.

9912 - 107 Street  
PO Box 2416  
Edmonton AB T5J 2S5

Phone: 780-498-3699  
Fax: 780-498-7999  
Website: www.wcb.ab.ca  
Toll Free: 1-866-822-9221

ROYAL BANK OF CANADA  
9499 137 AVE NW  
EDMONTON AB T5E 5R8

Account Number: 8604860

Dear Sir/Madam:

**RE: Demand to Pay**

The WCB-Alberta account of HABESHA AFRICAN SUPERMARKET LTD. is due \$1,455.01.

WCB has priority over amounts held on the account of, or owing to, HABESHA AFRICAN SUPERMARKET LTD. under Section 129 of the Workers' Compensation Act.

The attached Demand requires you to pay the WCB the amount you owe HABESHA AFRICAN SUPERMARKET LTD., up to the amount due. Failure to remit payment may result in WCB initiating legal proceedings to obtain the funds in your possession. If a third party disputes payment, we will indemnify you for actions relating to your honoring this Demand.

Upon receipt, the attached Demand remains in effect for 30 days. Any monies owed to, or earned by, HABESHA AFRICAN SUPERMARKET LTD. during this period must be paid to the WCB. Please respond within 10 business days from this letter to indicate when payment can be expected. I can be contacted at 780-509-1525.

Sincerely,

Jared Va  
Employer Account Services E4

WCB is improving services by going paperless! Sign up for myWCB to receive your premium notices electronically. File your annual return and manage your account. Sign up at [wcb.ab.ca/mywcb](http://wcb.ab.ca/mywcb).



IN THE MATTER OF:

THE WORKERS' COMPENSATION ACT  
R.S.A. 2000 c.W-15, as amended

Creditor

And

IN THE MATTER OF:

HABESHA AFRICAN SUPERMARKET LTD.  
10418 107 AVE NW  
EDMONTON AB T5H 0W1

Debtor

TO: ROYAL BANK OF CANADA

DEMAND TO PAY

Take NOTICE The Workers' Compensation Board (WCB) hereby Demands you pay the WCB the amount of money you owe to HABESHA AFRICAN SUPERMARKET LTD. or the sum of \$1,455.01, whichever is less.

Take further NOTICE that in default of payment, you may be responsible to the WCB for the said amount and be subject to legal proceedings together with costs and interest.

DATED at the City of Edmonton, in the Province of Alberta, this 31st of January, 2024.

  
Jared Vo



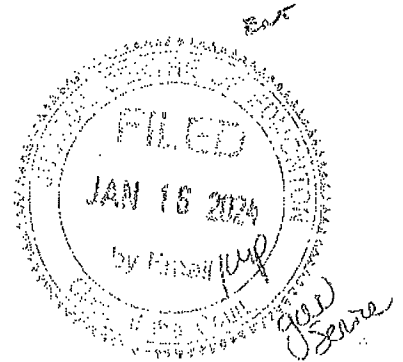
**This is Exhibit "Q" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



**COURT FILE NUMBER:** 2303 20858

**COURT:** COURT OF KING'S BENCH OF ALBERTA

**JUDICIAL CENTRE:** EDMONTON

**PLAINTIFF:** THE TORONTO-DOMINION BANK

**DEFENDANT :** SEMERE TESFAMICHAEL BERHANAE  
ALSO KNOWN AS SEMERE BERHANE

**DOCUMENT:** DEFAULT JUDGMENT AND SOLICITOR-  
CLIENT BILL OF COSTS

**ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT:** Witten LLP  
Barristers & Solicitors  
Suite 2500, Canadian Western Bank Place  
10303 Jasper Avenue  
Edmonton, AB T5J 3N6  
Solicitors for the Plaintiff  
ATTN: CORALIE J. MOHR  
FILE: 78200-1979 CJM/cvh  
PHONE: (780) 702-8586  
FAX: (780) 425-0769

UPON the Plaintiff having filed an Affidavit of Service, sworn November 22, 2023 providing proof of service of the Statement of Claim on the said Defendant, effective November 17, 2023;

AND UPON the Defendant not having delivered any Statement of Defence or Demand for Notice within the applicable time after service of the Statement of Claim;

AND UPON the Plaintiff being entitled to enter judgment against the said Defendant under rules 3.36 [*Judgment in default of defence*] and rule 3.39 [*Judgment for debt or liquidated demand*];

**IT IS ADJUDGED THAT:**

1. The Plaintiff shall recover against the Defendant the principal amount of \$41,801.54, together with interest thereon in the further amount of \$2,303.84 as calculated in the computation of judgment for a total combined judgment of **\$44,105.38** and costs of this action on a solicitor and client basis to be assessed.

<b>Computation of Judgment</b>	
Debt	\$ 38,283.78
Interest	\$ 3,517.76
Assessed Costs	\$ <del>2,303.84</del> 2079.34
<b>TOTAL</b>	<b>\$ 44,105.38</b> 43880.88

\*\*Interest calculations attached

### Solicitor/Client Bill of Costs

**Fees claimed:**

- TO receipt and review of instructions;
- TO drafting demand letter;
- TO forwarding demand letter to Defendant by regular mail;
- TO drafting of Statement of Claim;
- TO filing of Statement of Claim with the Clerk of the Court;
- TO forwarding Statement of Claim for service;
- TO review of Affidavit of Service from process server and payment of process server's account;
- TO preparation and filing of Default Judgment and Solicitor-Client Bill of Costs;
- TO attending Court for Order Validating Service
- TO forwarding Default Judgment and Solicitor-Client Bill of Costs with Affidavit of Service to the Clerk for filing;
- TO all necessary communication with client;
- TO all other matters, attendances and correspondence necessarily and incidental hereto but not previously mentioned.

FEES

\$1,400.00

**Disbursements:**

DESCRIPTION	AMOUNT
RUNNER CHARGES	\$28.00 -
POSTAGE	\$1.84 -
PROCESS SERVER	\$128.00 64.19
CIVIL LITIGATION FILING LEVY	\$150.00 050
COURT HOUSE FILING FEES (GST EXEMPT)	\$4.00 -
STATEMENT OF CLAIM FILING FEE (GST EXEMPT)	\$500.00 -
<b>TOTAL</b>	<b>\$811.84</b> 598.05

**Other Charges:**

DESCRIPTION	AMOUNT
LASER PRINTER CHARGES (53 @ \$0.10/PAGE)	\$5.30
SCAN CHARGES (10 @ \$0.10/PAGE)	\$1.00
<b>TOTAL</b>	<b>\$6.30</b>

**GST:**

Amount claimed on fees: \$ 70.00  
Amount claimed on disbursements: \$ 15.39 4.70  
Amount claimed on other charges: \$ 0.31

**TOTAL GST: \$ 85.70 75.01**

By making the above claim for an additional amount on account of goods and services tax, the party entitled to the costs award warrants that it is not entitled under the *Excise Tax Act* (Canada) to a refund or rebate of any goods and services tax paid.


**Total amount claimed:**

Fees:	\$	1,400.00
Disbursements:	\$	811.84
Other Charges:	\$	6.30
GST:	\$	85.70
<b>TOTAL:</b>	<b>\$</b>	<b>\$2,303.84</b>

**Amount allowed by assessment officer:**

Fees:	\$	1400.00
Disbursements:	\$	598.03
Other Charges:	\$	6.30
GST:	\$	75.01
<b>TOTAL:</b>	<b>\$</b>	<b>2079.34</b>

**Person responsible for preparation of this Bill of Costs:**

  
CORALIE J. MOHR

CERTIFICATE OF ASSESSMENT OFFICER:

I, Karla Pybus, certify the following amount(s) that is (are) to be paid

By Plaintiff: \$ \_\_\_\_\_

By Defendant: \$ 2079.34

to Plaintiff

I also certify the following special circumstance(s) and the amount to be paid by each party with respect to the special circumstance(s):

Dated: January 16, 2024

Name of Assessment Officer: K. Pybus

A certificate in the form of an affidavit is required if goods and services tax is claimed as part of the bill of costs.



# INVOICE

DATE: 11/23/2023  
 INVOICE #: 226304

TO **Witten LLP**  
**Barristers & Solicitors**  
**2500 Canadian Western Bank Place**  
**10303 Jasper Avenue**  
**Edmonton, AB T5J 3N6**

ATTENTION: **CHARMANE HYATT**  
 YOUR FILE: **78200-1979 CJM**  
 YOUR CLIENT:

DATE	DESCRIPTION	QTY	RATE	AMOUNT
11/20/2023	Entry Fee		5.00	5.00T
	SEMERE BERHANE @ TD Bank, 104 Avenue and 120 Street, Edmonton, Alberta		50.00	50.00T 30.00
	Attempts at Service	1	20.00	20.00T 10.00
	Kilometres Travelled	38	1.00	38.00T 19.19
	Minimum Mileage Charge	1	15.00	15.00T 2.8
Subtotal				\$128.00 64.19
GST 89711 2140				\$6.40
Total				\$134.40
Payments/Credits				\$0.00
Balance Due				\$134.40

## Serv-It Process Services (1995) Inc.

10147 - 115 Street  
 Edmonton, AB T5K 1T3

www.serv-it.ca  
 servit@shawbiz.ca

Phone (780) 424-8020  
 Fax (780) 421-8939

## The Toronto-Dominion Bank v. Semere Berhane File No. 78200-1979 CIM/cvh

Compounding Period: Monthly

Nominal Annual Rate: 24.990%

## Cash Flow Data - Loans and Payments

Event	Date	Amount	Number	Period	End Date
1 Loan	08/31/2023	38,283.78	1		
2 Payment	01/08/2024	41,801.54	1		

## TValue Amortization Schedule - Normal, 365 Day Year

Date	Payment	Interest	Principal	Balance
Loan 08/31/2023				38,283.78
<b>2023 Totals</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
1 01/08/2024	41,801.54	3,517.76	38,283.78	0.00
<b>2024 Totals</b>	<b>41,801.54</b>	<b>3,517.76</b>	<b>38,283.78</b>	
<b>Grand Totals</b>	<b>41,801.54</b>	<b>3,517.76</b>	<b>38,283.78</b>	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
<b>25.799%</b>	<b>\$3,517.76</b>	<b>\$38,283.78</b>	<b>\$41,801.54</b>

# Spin 2 | Spatial Information System

Receipt

Thank you WittenLLP53 for your order.

Order Number: 48911895  
 Order Date: 17/11/2023 6:41 PM  
 Order Total: \$10.00

Account Number: A064068  
 Account Name: WITTEN LLP  
 Contact Name: PATRICIA KIMMITT/SUSANA MARK  
 Customer File Number: 78200-1979  
 Customer Comments: 78200-1979 CJM/cvh

### Order Item Details

Count	Set Price	Packaging Type	Product Type	Delivery Channel
1	\$10.00	Regular	Current Title Certificate - PDF	HTTPDownload - Electronic

*Alberta*

78200 - 1979 CJM/cvh  
 335/90 1 - \$ 10  
 1712/118 1 - \$ 5

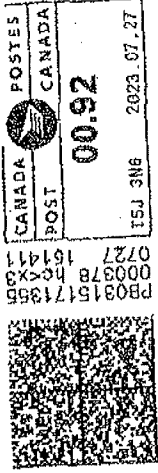
Charmane H



Barristers & Solicitors  
Suite 2500  
10303 Jasper Avenue  
Edmonton, AB T5J 3N6

 **WITTEN**  
LLP

78200-1979 CJM/cvh



Via Regular Mail  
Semere Bethene  
2433 San Fortunato  
Edmonton, AB T5E 5V3

### Bill of Costs

Client: (78200) TD Canada Trust  
 RE: (1979) Semere Berhane (Mr)  
 FEES:

Date	Quantity	Rate	Value	Description
<b>(128) Coralie Mohr</b>				
2023/08/31	0.50	350.00	175.00	Review Statement of Claim
<b>Total:</b>	<b>0.50</b>		<b>175.00</b>	
<b>(1293) Bren Cargill</b>				
2023/07/27	0.20	225.00	45.00	Draft demand letter to S. Berhane
<b>Total:</b>	<b>0.20</b>		<b>45.00</b>	
<b>(1126) Melissa Vuong</b>				
<b>Total:</b>				

**Working Member Summary**

	Hours	Value
(128) Coralie Mohr	0.50	175.00
(1293) Bren Cargill	0.20	45.00
<b>OUR TOTAL FEES HEREIN,</b>		<b>220.00</b>
Plus GST 5%		11.00

**Taxable Disbursements**

Civil Litigation Filing Levy	150.00
File Management Fee	30.00
Laser Printer Charges	15.90 <i>÷ .3 = (53 pgs)</i>
LTO Title Search	10.00
Online Service Charge	5.00
Postage	1.84
Scan	3.00 <i>÷ .3 = (10 pgs)</i>

*Dis. Chq GST*

*1.40  
 0.092  
~~128.00~~ 6.40  
~~1.50~~  
15.39*

<b>TOTAL TAXABLE DISBURSEMENTS</b>	<b>215.74</b>
Plus GST 5%	10.79

*oth. Chqs Gsr*

*0.265  
 0.05  
0.31*

**Non-Taxable Disbursements**

Court House Fax/Email Filing	4.00
KB Filing Alberta	500.00
LTO Discharge	10.00
<b>TOTAL NON-TAXABLE DISBURSEMENTS</b>	<b>514.00</b>

**TOTAL FEES AND DISBURSEMENTS 971.53**

**TOTAL FEES AND DISBURSEMENTS CLAIMED**

	Partial Recovery (50%)	Substantial Recovery (75%)	Full Recovery (100%)
Fees & Sales Tax	115.50	173.25	231.00

Client: (78200) TD Canada Trust  
RE: (1979) Semere Berhane (Mr)

FEES:

Disb. & Sales Tax	370.26	555.40	740.53
<b>Total</b>	<b>485.76</b>	<b>728.65</b>	<b>971.53</b>

COSTS FIXED AT \$

THIS DAY OF , 2024

**Statement Of Experience**

A claim for fees is being made with respect to the following lawyers:

Name of Lawyer	Years of Experience
Coralie Mohr	24 (called to the Bar in 2000)
Bren Cargill	6 (called to the Bar in 2018)

**This is Exhibit "R" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

Search ID #: Z17094789

**Transmitting Party**

BORDEN LADNER GERVAIS LLP

Centennial Place, East Tower  
1900, 520-3rd Avenue SW  
CALGARY, AB T2P 0R3

Party Code: 50008002  
Phone #: 403 232 9500  
Reference #: 444689.01

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

**Individual Debtor Search For:**

BERHANE, SEMERE

Both Exact and Inexact Result(s) Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.



Search ID #: Z17094789

**Individual Debtor Search For:**

BERHANE, SEMERE

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

Registration Number: 22051913176

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-May-19

Registration Status: Current

Expiry Date: 2027-May-19 23:59:59

Exact Match on: Debtor No: 3

Inexact Match on: Debtor No: 2

**Debtor(s)**

**Block**

**Status**  
Current

1 SEMETRANSHORN TRANSPORT LTD  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B0C1

**Block**

**Status**  
Current

2 BERHANE, SEMERE, GHEBRESE  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B0C1

Birth Date:  
1974-Feb-05

**Block**

**Status**  
Current

3 BERHANE, SEMERE  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B0C1

Birth Date:  
1974-Feb-05

**Secured Party / Parties**

**Block**

**Status**  
Current

1 VAULT CREDIT CORPORATION  
41 SCARSDALE ROAD UNIT 5  
TORONTO, ON M3B2R2  
Email: SUPPORT@VAULTCREDIT.CA

Search ID #: Z17094789

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1DW1A5325JBA00221	2018	STOUGHTON 53'	TR - Trailer	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	2018 STOUGHTON 53 FOOT DRY VAN TRAILER S/N 1DW1A5325JBA00221, TOGETHER WITH ALL GOODS OF EVERY NATURE OR KIND, FINANCED BY THE SECURED PARTY TO THE DEBTOR AND AS AMENDED FROM TIME TO TIME, TOGETHER WITH ANY AND ALL PAST, PRESENT AND FUTURE ACQUIRED PARTS, ATTACHMENTS, ACCESSORIES, ACCESSIONS, ADDITIONS, SUBSTITUTIONS, IMPROVEMENTS, REPAIR AND REPLACEMENT PARTS AND OTHER EQUIPMENT PLACED ON OR FORMING PART OF THE GOODS DESCRIBED HEREIN AND ANY AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS THEREOF AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, INCLUDING ALL GOODS, SECURITIES, INSTRUMENTS DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES (AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT), RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENT AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17094789

**Individual Debtor Search For:**

BERHANE, SEMERE

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

---

Registration Number: 22101124946

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Oct-11

Registration Status: Current

Expiry Date: 2032-Oct-11 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**  
Current

1 BERHANE, SEMERE  
2433 SAN FORTUNATO STREET SW  
EDMONTON, AB T6E 6V3

**Secured Party / Parties**

**Block**

**Status**  
Current

1 ATB FINANCIAL -07959  
8008-104 STREET  
EDMONTON, AB T6E 4E2  
Phone #: 780 427 2383 Fax #: 780 433 4165  
Email: pprnotices@atb.com

**Collateral: General**

**Block**

**Description**

**Status**  
Current

1 ALL PRESENT AND FUTURE INDEBTEDNESS OF 2409817 ALBERTA LTD. TO THE DEBTOR TOGETHER WITH ALL EVIDENCE OF THE INDEBTEDNESS AND ALL NEGOTIABLE INSTRUMENTS, SECURITIES, CHATTEL PAPER AND OTHER SECURITY HELD BY THE DEBTOR IN CONNECTION WITH THE INDEBTEDNESS. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.



Search ID #: Z17094789

**Individual Debtor Search For:**

BERHANE, SEMERE

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

Registration Number: 23060830376

Registration Date: 2023-Jun-08

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jun-08 23:59:59

Inexact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 BERHANE, SEMERE GHEBRESE  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B 0C1

Birth Date:  
1974-Feb-05

**Block**

**Status**  
Current

2 SEMETRANSHORN TRANSPORT LTD.  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B 0C1

**Block**

**Status**  
Current

3 SEMERE GHEBRESE BERHANE  
348 MORNINGSIDE CRES SW  
AIRDRIE, AB T4B 0C1

**Secured Party / Parties**

**Block**

**Status**  
Current

1 TPINE LEASING CAPITAL CORPORATION  
6050 DIXIE ROAD  
MISSISSAUGA, ON L5T 1A6  
Email: absecparties@avssystems.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FUJHHDR5LLKU6350	2020	FREIGHTLINER CASCADIA	MV - Motor Vehicle	Current

Search ID #: Z17094789

**Individual Debtor Search For:**

BERHANE, SEMERE

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

Registration Number: 23120719846

Registration Date: 2023-Dec-07

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2030-Dec-07 23:59:59

Inexact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 BERHANE, SEMERE, HAGOS  
14006 156 AVENUE NW  
EDMONTON, AB T6V1T3

Birth Date:  
1992-Dec-09

**Secured Party / Parties**

**Block**

**Status**  
Current

1 ROYAL BANK OF CANADA  
10 YORK MILLS ROAD 3RD FLOOR  
TORONTO, ON M2P 0A2  
Email: albertaprod@teranet.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	JA4AJVAW7RU600998	2024	Mitsubishi RVR	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	PROCEEDS- ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY THAT MAY BE DERIVED FROM THE SALE OR OTHER DISPOSITION OF THE COLLATERAL DESCRIBED ABOVE AND ANY PROCEEDS THEREOF.	Current

Search ID #: Z17094789

**Individual Debtor Search For:**

BERHANE, SEMERE

Search ID #: Z17094789

Date of Search: 2024-Feb-27

Time of Search: 14:08:26

---

Registration Number: 24020207498

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2024-Feb-02

Registration Status: Current

Expiry Date: 2026-Feb-02 23:59:59

---

Issued in Edmonton Judicial Centre

Court File Number is 2303 20858

Judgment Date is 2024-Jan-08

This Writ was issued on 2024-Jan-16

Type of Judgment is Other

Original Judgment Amount: \$41,801.54

Costs Are: \$2,079.34

Post Judgment Interest: \$0.00

Current Amount Owing: \$43,880.88

---

Exact Match on: Debtor No: 1

Inexact Match on: Debtor No: 2

---

**Solicitor / Agent**

WITTEN LLP  
2500, 10303 JASPER AVENUE  
EDMONTON, AB T5J 3N6

Phone #: 780 428 0501

Fax #: 780 429 2559

Reference #: 78200-1979  
CJM/CVH

Email: LAWYERS@WITTENLAW.COM

**Debtor(s)**

**Block**

1 BERHANE, SEMERE  
2433 SAN FORTUNATO  
EDMONTON, AB T5E 5V3

**Status**  
Current

Gender:  
Male

Search ID #: Z17094789

**Block**

2 BERHANE, SEMERE, TEFAMICHAEL  
2433 SAN FORTUNATO  
EDMONTON, AB T5E5V3

**Status**  
Current

Gender:  
Male

Alias of Block:  
0001

**Creditor(s)**

**Block**

1 THE TORONTO-DOMINION BANK  
C/O 2500, 10303 JASPER AVENUE  
EDMONTON, AB T5J 3N6  
Email: LAWYERS@WITTENLAW.COM

**Status**  
Current

**Particulars**

**Block**    **Additional Information**

1 SEMERE BERHANE ALSO KNOWN AS SEMERE TEFAMICHAEL BERHANE

**Status**

Current

Search ID #: Z17094789

**Note:**

The following is a list of matches closely approximating your Search Criteria,  
which is included for your convenience and protection.

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BERHANE, SELAMAWIT 29 EARL CLOSE RED DEER, AB T4P3G6	1984-Feb-14	22102502423

**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BERHANE, SELAMWIT 8319 142 AVENUE NW EDMONTON, AB T5E2G3	1986-Feb-21	23102618892

**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BERHANU, SAM 58 DOVERCLIFFE WAY SE CALGARY, AB T2B2C6	2000-Jun-28	20091002060

**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BIRHANU, SHILEMAT 134 DOUGLASBANK CALGARY, AB T2Z 1W4	1969-Nov-29	19013114924

**SECURITY AGREEMENT**

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BIRHANU, SHILEMAT 134 DOUGLASBANK WAY SE CALGARY, AB T2Z 1W4	1969-Nov-29  Gender: Male	23060122813

**WRIT OF ENFORCEMENT**

<b>Debtor Name / Address</b>	<b>Birth Date:</b>	<b>Reg.#</b>
BIRHANU, SHILEMAT, YEHALE 134 DOUGLASBANK CALGARY, AB T2Z 1W4	1969-Nov-29	19013114924

Search ID #: Z17094789

**SECURITY AGREEMENT**

Result Complete

**This is Exhibit "S" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/03/21  
Time of Search: 03:14 PM  
Search provided by: BORDEN LADNER GERVAIS LLP  
Service Request Number: 41753116  
Customer Reference Number: 404600.001199

Corporate Access Number: 2016960243  
Business Number: 795971878  
Legal Entity Name: 1696024 ALBERTA LTD.  
  
Legal Entity Status: Struck  
Struck Off Date: 2024/02/02  
Alberta Corporation Type: Numbered Alberta Corporation  
Registration Date: 2012/08/21 YYYY/MM/DD

## Registered Office:

Street: 2433 SAN FORTUNATO ST NW  
City: EDMONTON  
Province: ALBERTA  
Postal Code: T5E5V3

## Records Address:

Street: 2433 SAN FORTUNATO ST NW  
City: EDMONTON  
Province: ALBERTA  
Postal Code: T5E5V3

Email Address: HABESHAYEG@GMAIL.COM

## Directors:

Last Name: BERHANE  
First Name: SEMERE  
Street/Box Number: 2433 SAN FORTUNATO ST NW  
City: EDMONTON  
Province: ALBERTA  
Postal Code: T5E5V3

## Voting Shareholders:



**Last Name:** BERHANE  
**First Name:** SEMERE  
**Street:** 2433 SAN FORTUNATO ST NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T5E5V3  
**Percent Of Voting Shares:** 100

### Details From Current Articles:

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** SEE SCHEDULE "I" ATTACHED  
**Share Transfers Restrictions:** N/A  
**Min Number Of Directors:** 1  
**Max Number Of Directors:** 7  
**Business Restricted To:** N/A  
**Business Restricted From:** N/A  
**Other Provisions:** SEE SCHEDULE "II" ATTACHED

### Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
IMAGE AND SHADE COSMETICS	TN21782206
IMAGES & COSMETICS	TN22014534
IMAGES & SHADES COSMETICS	TN22019517
IMAGES AND BEAUTY COSMETICS	TN21782214

### Other Information:

#### Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2021	2021/09/13

#### Outstanding Returns:

Annual returns are outstanding for the 2023, 2022 file year(s).

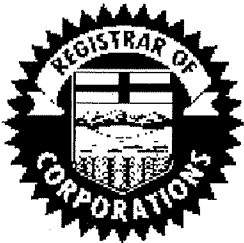
#### Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2012/08/21	Incorporate Alberta Corporation
2020/02/21	Update BN
2021/09/13	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2023/01/06	Change Address
2023/03/17	Change Agent for Service
2023/10/02	Status Changed to Start for Failure to File Annual Returns
2024/02/02	Status Changed to Struck for Failure to File Annual Returns

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2012/08/21
Other Rules or Provisions	ELECTRONIC	2012/08/21

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



**This is Exhibit "T" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



---

**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**



# RBC Royal Bank

March 21, 2024  
Bereket & G Holdings Ltd.  
Payout Statement as @ March 21, 2024

<b>Loan Number</b>	<b>Loan Type</b>	<b>Interest Rate</b>	<b>Outstanding Balance</b>	<b>Accrued Interest</b>	<b>Loan Closing Balance</b>	<b>Per Diem</b>
46447471 002	Owner - Occupied Real Estate Term Loan	7.51% Blended	\$2,519,743.62	\$21,727.42	\$2,541,471.04	\$518.45

**This is Exhibit "U" referred to  
in the Affidavit of Jessica Chohan  
Sworn before me this 25<sup>th</sup> day of March 2024**



**A Commissioner for Oaths in and for Alberta**

**GUSTAVO DA ROZA  
A Commissioner for Oaths  
in and for Alberta  
Student-At-Law, Notary Public**

**BEREKET & G HOLDINGS CORP.**

Financial Information  
Year Ended April 30, 2023

# BEREKET & G HOLDINGS CORP.

Index to Financial Information

Year Ended April 30, 2023

---

	Page
COMPILATION ENGAGEMENT REPORT	2
FINANCIAL INFORMATION	
Balance Sheet	3
Statement of income and deficit	4
Notes to Financial Information	5

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**Jaberson & Associates**  
**Professional Tax Advisor**

5430 136 Ave NW      Tel: (780) 643-6661  
Edmonton, AB T5A 0E4      Fax: (780) 643-6662

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**COMPILATION ENGAGEMENT REPORT**

---

To the Shareholders of Bereket & G Holding Corp.

On the basis of information provided by management, I have compiled the balance sheets of 2023 as at April 30, and the statements of income and retained earnings for the years then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

I performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires me to comply with relevant ethical requirements. My responsibility is to assist management in the preparation of the financial information.

I did not perform an audit engagement or a review engagement, nor was I required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an audit opinion or a review conclusion or provide any form of assurance on the financial information.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

Edmonton, Alberta  
February 09, 2024,

Sam Jaber  
Professional Tax Advisor



**BEREKET G HOLDINGS CORP.****Balance Sheet****April 30, 2023**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash & cash equivalents	25,472	9,415
Due from related parties	1,571,334	1,289,218
Security Deposit	44,500	44,500
Accounts receivable	266	265
	<u>1,641,572</u>	<u>1,343,398</u>
PROPERTY AND EQUIPMENT (Note of accumulated amortization)	<u>1,839,782</u>	<u>1,916,474</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,481,355</u></b>	<b><u>\$ 3,259,872</u></b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable & accrued liabilities	\$ 163,120	\$ 172,413
Due to shareholder	752,012	572,783
Loan RBC current portion	98,349	98,349
Taxes payable	8,951	17,937
	<u>1,022,430</u>	<u>861,482</u>
LONG TERM DEBT	2,454,111	2,517,365
DUE TO RELATED PARTIES	395,828	279,158
CEBA - Loan	40,000	40,000
	<u>2,889,939</u>	<u>2,836,523</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 3,912,369</u></b>	<b><u>\$ 3,698,005</u></b>
<b>SHAREHOLDER'S DEFICIENCY</b>		
Share capital	100	100
Deficit	(431,114)	(438,233)
	<u>(431,014)</u>	<u>(438,133)</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>\$ 3,481,355</u></b>	<b><u>\$ 3,259,872</u></b>

ON BEHALF OF THE BOARD

..... Director

..... Director

**BEREKET & G HOLDINGS CORP.**  
**Statement of Income and Deficit**  
**Year Ended April 30, 2023**

	<b>2023</b>	<b>2022</b>
<b>RENTAL INCOME</b>	264,919	277,857
<b>ADMINISTRATIVE AND SELLING EXPENSES</b>		
Interest expenses	114,946	112,719
Depreciation	76,691	102,665
Property taxes	34,034	23,288
Insurance	15,866	14,192
Utilities & Telephone	12,000	13,500
Interest and bank charges	2,182	718
Professional fees	1,500	1,200
Repairs & Maintenance	315	15,040
Office expenses	266	634
Meals & Entertainment	-	599
Business taxes, licences, and memberships	-	548
	<b>257,800</b>	<b>285,103</b>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>7,119</b>	<b>(7,246)</b>
<b>NET INCOME</b>	<b>7,119</b>	<b>(7,246)</b>
<b>Deficit - BEGINNING OF YEAR</b>	(438,233)	(430,987)
<b>Deficit - END OF YEAR</b>	<b>(431,114)</b>	<b>(438,233)</b>

# BEREKET & G HOLDINGS CORP.

Notes to Financial Information  
Year Ended April 30, 2023

## 1. BASIS OF PRESENTATION

The of accounting applied in the preparation of the balance sheet of Bereket & G Holdings Corp. Ltd as at April 30,2023 and the statement of income and deficit for the year then ended I the historical cost basis and reflects cash transactions with the additional of:

- **Inventory valued at cost**
- **Property, plant, and equipment amortized on the same basis as for income tax**
- **Accounts payable and accrued liabilities**

## 2. PROPERTY, PLANT AND EQUIPMENT

	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>2022 Net Book Value</b>	<b>2021 Net Book Value</b>
Buildings	2,250,000	460,791	1,789,209	1,865,315
Building improvements	147,503	97,417	50,086	50,617
	1,300	813	487	542
	<b>2,398,803</b>	<b>559,021</b>	<b>1,839,782</b>	<b>1,916,474</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements